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The Sterling Area and the World

THE STERLING AREA—GENERAL

(1) **Members of the Sterling Area:**—The Sterling Area is the world's largest single area of multilateral trade. Present members are: (a) Commonwealth countries: United Kingdom, Australia, Ceylon, India, New Zealand, Pakistan, South Africa*, Southern Rhodesia and the British Colonies. (b) Non-Commonwealth countries: Burma, Iceland*, Iraq, and Irish Republic.

The Sterling Area therefore comprises all the Commonwealth countries except Canada, and four non-Commonwealth countries. Canada with her naturally close trade and financial links with the U.S.A. is not a member of the Sterling Area.

Within the Sterling Area there are few restrictions on commercial payments, and with sterling as the common means of payment between members of the area and from one member to most outside countries, trade can be carried on multilaterally. This means that a sterling country can use a surplus with one member (or with non-members) to pay off a debt to another, or in other words that the currencies of the Sterling Area countries are convertible into one another. The need for laborious bilateral negotiations between pairs of countries is thus avoided and the level of international trade is higher than it would otherwise be.

(2) **Transferable Account Sterling.** In addition to the Sterling Area proper, sterling may be used freely for the settlement of current accounts between a number of other countries, for example Chile, Egypt, Holland and the Dutch monetary area, Italy, Norway, Persia, Siam and Sweden. In general the facilities of transferable account sterling are extended to countries between which payments are fairly well balanced and which are not therefore expected to become either holders of excessive amounts of sterling or uncomfortably short of sterling through transfers from and to other members of the group.

(3) **Share of World Trade.** The population of the countries in the Sterling Area is 25% of that of the whole world. A further 21% of the world population live in countries of the transferable account group. It has been estimated that in 1948 the Sterling Area countries did roughly 27% of world trade and the countries of the transferable account group 17%—an estimated total of 44% of world trade.

(4) **Other countries.** Other countries not in the "transferable area" are allowed to make use of sterling for

financing trade with third parties with the permission of British Exchange Control.

THE STERLING AREA AND WESTERN EUROPE

The exchange of goods and services between the United Kingdom and the rest of the Sterling Area on the one side and the Marshall Plan countries of Europe on the other amounts to something like £900 million a year each way.

Imports of goods and services from the United Kingdom and the rest of the Sterling Area by the Marshall Plan countries during the first three quarters of 1949 were roughly (in £million annual rate):—French monetary area 150, Dutch monetary area 150, Belgian monetary area 100, Sweden 85, Denmark 80, Norway 75, Italy 65, Western Germany 65, Switzerland 35, Portuguese monetary area 35, Greece 25, Turkey 20, Austria 15.

Well over half Western Europe's trade with the Sterling Area is with the U.K. and the value of this trade has expanded considerably over the past three years. U.K. exports and re-exports to Western Europe rose from £268 million in 1947 to £385 million in 1948 and to £407 million in 1949. Roughly half these exports consist of metals and engineering products, about one-seventh of textiles and clothing and one-eighth of raw materials (including coal). In addition British-controlled oil companies have been furnishing Western Europe with nearly half its oil supplies.

In return the U.K. is providing a steadily-expanding market for the goods of other O.E.E.C. countries, importing from them £460 million last year, compared with £326 million in 1948 and £233 million in 1947. Over two-fifths of these imports consisted of food and drink and nearly one-third of raw materials. Further, the U.K. spent £21 million on tourism in Western Europe in 1948.

The overseas Sterling Area is also of great importance to Western Europe as a source of supply for raw materials. Wool is much the largest single item in this trade. In the first seven or eight months of 1949 France obtained three-fifths of her wool from the Sterling Area, Italy and Belgium four-fifths, Western Germany three-quarters. Rubber supplied mainly by Malaya and Ceylon, and jute from India, and Pakistan are other important raw materials for which Western Europe relies mainly on the overseas Sterling Area. Western Germany, for instance, has been buying nine-tenths of her natural rubber

from sterling sources, Italy three-quarters, Belgium three-fifths and France one-third. Other primary products which enter to an important extent into trade between the overseas Sterling Area and Western Europe are cocoa from West Africa, tea from India, Pakistan and Ceylon, and tin from Malaya.

There is no doubt at all that trade between Western Europe and countries in the Sterling Area has been greatly facilitated by the fact that trade throughout this area is conducted on a multilateral basis, made possible by the common use of sterling as an international currency. As a concrete example of the benefits which other O.E.E.C. countries obtain from the multilateral use of sterling, Norway is at present running a surplus of several million pounds on transactions with the rest of the Sterling Area and is able to use this surplus to help finance a deficit with U.S. Denmark is able to pay for imports of rubber and tin from Malaya and of cocoa from West Africa with pounds earned from selling agricultural products to the U.K. Italy buys considerably more from Australia than she sells to Australia, but is able to cover this deficit out of a surplus with other members of the Sterling Area. France is buying two or three times as much from the overseas Sterling Area as she is selling to it, and would have to do without key supplies of wool and other raw materials if she were not able to finance these purchases with sterling obtained in other ways (in 1948/49 under the Intra-European Payments Agreement, and in 1949/50 by a surplus of exports to Britain). Bilateral balancing would inevitably cramp the trade of all these countries and would make it more difficult for them to obtain the supplies they want from sterling countries.

THE STERLING AREA'S DOLLARS*

One of the essential conditions—in fact, the one absolutely essential condition—of the proper functioning of the Sterling Area is the maintenance of adequate central reserves of gold and dollars. As the banker of the whole area, the U.K. has a permanent obligation to safeguard these reserves. In other words Britain must regard the achievement of a balance between the sterling and dollar areas as her first and over-riding economic objective.

* U.S. and Canadian dollars. Although Canadian dollars are not freely convertible into U.S. dollars the Sterling Area needs more of both, and consequently no distinction is usually made when talking of earning dollars.

* South Africa and Iceland meet their dollar needs independently.

Hongkong and the British Government

That time-honoured bogey as to whether the Colony should be abandoned by the British Government has again raised its hoary head, on the score this time that it would be indefensible in the event of a third world war. It is Mr. Emrys Hughes, a Labour member of the House of Commons, who has expressed this opinion while asking when the Government was going to give Hongkong up in favour of a trade agreement with Communist China. The question seems

With this end in view the U.K. has co-operated with its partners in the Sterling Area—and, through the Marshall Plan, with the other countries of Western Europe—in all measures for earning and saving more dollars. The expansion of trade with the Commonwealth and with Europe, in which the U.K. has played leading part has done much to save dollar expenditure; on the other side the U.K. has taken many steps, including the devaluation of sterling, to encourage and assist its exporters to earn dollars.

The dollars expenditure of the rest of the Sterling Area (excluding the U.K.) in the year ending June, 1949 was over \$1,000 million compared with an average of only \$250 million in the years 1934 to 1948. This more than four-fold increase in dollar spending is one of the major factors turning the pre-war dollar surplus of the rest of the Sterling Area into the post-war deficit.

Consequently, in addition to their efforts to expand dollar earnings, the other Sterling Area countries have their part to play in economising in dollar expenditure in order to help the Sterling Area pay its way in dollars as Marshall Aid dwindles. For while the Sterling Area banking system is designed to cope with temporary deficits with one outside country (which can be restored by subsequent surpluses) or with deficits in one place which can be offset by surpluses elsewhere, it cannot continue to afford facilities for world-wide multilateral trade if it suffers from a general and prolonged shortage of one currency—in this case, dollars.

Therefore the measures that the Sterling Area countries agreed to take to economise in dollar expenditure, following the meeting of Commonwealth Finance Ministers in London in July, 1949, are of the utmost importance to the future prospects of the Sterling Area.

At 31st December, 1949 the central gold and dollar reserves of the Sterling Area held in the U.K. amounted to \$1,688 million. Before the war in terms of present-day purchasing power the U.K. reserves were equivalent to over \$10,000 million or about six times their end-1949 level.

a strange one, as on more than one occasion the Government has made it plain that it does not intend to surrender the Colony and the sending out of strong naval and military forces was a clear indication of the sincerity of its declarations. This costly and definite action was sufficient assurance if any were needed that it was considered possible from a military point of view to hold the Colony, and the prompt stand taken when the threat of danger was supposed to exist with the turning over of governments in China had a salutary effect upon the morale of the Hongkong people and gave them the tranquility of mind and sense of security so essential if industrial and economic progress were to be maintained. It is quite evident that if the assurances of the Government are not to be trusted no astute businessman would venture to invest his capital in a place that might at any moment be handed over to a regime so contrary in essence to the democratic principles maintained under British rule. For this reason, without laying too much emphasis upon Mr. Hughes' opinion, such irresponsible questions in the House of Commons can only be deplored, although at the same time we agree that every man is entitled to his own opinion.

According to Mr. Hughes, the British Government should hand over a prosperous, well-governed, peaceful and industrially progressive Colony to the Peking Government in the hope of obtaining in return a "decent trading agreement," but he does not appear to have realised Hongkong's particular function in connection with the trade arising under any such agreement. The mere obtaining of a trade agreement is rendered more likely by the stable background presented by the Colony. None can be more eager to conclude an agreement with the People's Republic of China than the business community of Hongkong. It was this aspiration that led them to support the British decision to recognise the new regime. Unfortunately nothing concrete has yet resulted from their expectations, but at all times there exists a readiness to enter into arrangements designed to smooth away some of the present obstacles to a normal flow of trade. As this Review has constantly pointed out, it is the existence of this Colony that has enabled not only Great Britain but all other nations as well to engage in trade with China upon an increasing scale when they could not otherwise have ventured to take the risk. It is this security that Mr. Hughes would throw away in bargaining for what he calls a "decent trading agreement" without more definitely outlining what he means by this phrase.

Whether Hongkong would be defensible in the event of a third world war is an eventuality upon which few would care to express an opinion. What the common man hopes is that no such horror will be imposed upon the world again by those few who may still be hankering for world domination.

Hongkong's Budget for 1950/51

The finally estimated expenditure for the fiscal year April 1950 to March 1951 amounts to \$200.8 million (\$1.8 m. more than the first estimate provided). The budget passed Legislative Council on March 29. Against the actual expenditure of the fiscal years 1947/48 (\$127.7 m.) and 1948/49 (\$159.9 m.) the current estimate is higher by 57.2% and 25.6% respectively; against the revised estimate for 1949/50 (\$179.9 m.) the current estimate is higher by 11.6%. (In our issue of March 16, pp. 331/2 the Public Finances of Hongkong were reviewed and the schedule of expenditure was published).

The expenditure of \$200.8 m. for the current fiscal year has been charged upon the revenue and other funds of the Colony; the estimate of revenue for 1950/51 remains at \$191.8 m. thus a deficit of \$8.9 m. is estimated.

The proposal by Government to raise standard rate of income tax has been shelved for the time being. Opposition to this proposed increase was voiced all over the Colony and Government has taken note of this and not pressed for a division in Legislative Council (such a division in Council with an official majority voting as a bloc would have been interpreted here and abroad as an undemocratic move). Confidence in Government as a benevolent institution has, as a consequence of the forbearance of Government, returned and good will among the public has been fostered.

The deficit, it is hoped, may be covered, and possibly a surplus may eventually be recorded, by (1) higher revenue than estimated, (2) the imposition of a business registration fee, (3) other indirect taxation (both increases in rates or new impositions). (A head tax or persons' registration tax should have been introduced long ago while gold sales contracts should also be subjected to the payment of stamp duty).

In view of the fact that an increase in the standard rate of income tax (corporations' profit, salaries & annuities tax) is not contemplated for the moment, the arguments advanced against the proposal by the Financial Secretary need not be restated here.

British Industries Fair Exhibitors in 1950

This year has seen a reduction in the number of individual firms exhibiting on the Hongkong Stand at the British Industries' Fair, to be held at Earl's Court, London, from May 8th to the 19th, but the Hongkong British Industries Fair Committee feels that this is mainly due to the method of presenting

the exhibits employed for the first time this year, or, more properly, to the method of financing. It will be recalled that instead of the renting of space the Committee decided this year to publish a directory of exhibitors. It is intended that the 5,000 copies of this directory shall be distributed both from the stall in London and from the Department of Commerce & Industry in Hongkong. Those distributed in London will fall directly into the hands of buyers who are interested in Hongkong's display, while the copies remaining in Hongkong will be distributed to the various Chambers of Commerce all over the world.

In this way many outlets will be reached which normally know little of Hongkong products or its services. It is not generally realised that the demand for knowledge of this Colony's trading activities is widespread, and difficulty is found in satisfying it at a low cost to the agency supplying the information. The Commercial Guide to Hongkong, published last year by the Department of Commerce and Industry, filled a long felt gap in this respect, and some two thousand copies found their way to cities all over the world, through the medium of the Department of Commerce and Industry, the Chambers of Commerce, and the Trade Commissioners in Hongkong. It is intended eventually to publish a revised edition of the Commercial Guide, but for the moment the new British Industries Fair Directory will be used to satisfy overseas enquirers.

For this reason alone it is regrettable that many of Hongkong's Import and Export Houses did not decide to participate in this year's Fair. They felt that there was little that they, as agents, could show at the Fair. At first glance this would appear to be so, but a little imagination reveals some extremely attractive methods of presenting this aspect of Hongkong's commercial activities to overseas merchants, as will be seen when the Fair opens and photographs of the Hongkong Stand are available. But the main disadvantage to a merchant house which is not represented is the fact that its name will not appear in the directory. Most of the names are those of manufacturers, and there is an increasing tendency, now that price and not supply position is a deciding factor, for buyers overseas to deal direct with the manufacturer, and merchants will do well to weigh carefully, next year, the question of whether they can afford not to exhibit with Hongkong at the British Industries Fair.

The Open General Licence covering imports into the United Kingdom is the green light to our local industries. Much interest at the Hongkong Stand this year will centre round locally made shirts, metalware, textiles, buttons, and vacuum flasks, and when buyers from all parts of the world visit the stall they will find the British Industries Fair Hongkong Directory their guide to the firms who are farsighted enough to make available in the World's greatest Trade Fair examples of their products.

Hongkong's Commerce & Industry in 1949

At the annual meeting of the Hongkong General Chamber of Commerce on March 27, the chairman (Hon. P. S. Cassidy) reviewed commercial and industrial developments in the Colony during 1949. The following is a condensed report.

During the four years since trade was resumed after the reoccupation of the economy of Hongkong has been re-established on a firm foundation. Law and order and a stable currency are the main contributors to our good fortune but these might have been in jeopardy if it had not been for the prompt despatch of reinforcements by His Majesty's Government to strengthen the defence of the Colony. We must also acknowledge the service rendered by the Hongkong Government, both in its administrative and technical branches, which despite the handicap imposed by shortage of staff has coped manfully with many difficult problems not the least of which are those directly arising from the grossly overcrowded state of the Colony.

Externally our trade has been subjected to abnormal conditions which have required a good deal of ingenuity to overcome. But the history of the trade of Hongkong clearly shows that the abnormal is the normal, for the periods when merchandise flowed unimpeded backwards and forwards between this port and the hinterland have been few and far between. The vast potentialities of the China market have been for two hundred years or more the lure of western traders, a lure which seems to be as remote today as it was when the factories of Canton were set up. There is little to be gained by taking the long view where trade with China is concerned and the best course is to seize opportunities as they present themselves. That course has led to the substantial development of our trade with various parts of South East Asia as well as with Japan, Formosa and Korea so that we are no longer dependent upon the China market for the greater part of our entrepot trade. And although entrepot business must always be our main function it is highly desirable to encourage the development of our local industries for they are likely to play an increasingly important part in our economy.

The trade statistics for the past year bear witness to the astounding increase in value of the goods which have been passed in and out of the port but they give no conception of what has been derived from the services rendered in handling, storing, despatching, insuring and financing this great volume of merchandise. So far our commercial machinery has stood up to the extra strain placed upon it by the concentration in this port of cargo which in the ordinary course of events would not have been discharged or loaded here if Shanghai and other China ports had been open to ocean shipping. The question of storage accommodation was giving concern for most part of the year and during recent weeks the problem has assumed an acute form.

Our trade with Japan has increased despite a setback during the last few months of the year in consequence of the devaluation of sterling. Devaluation might have involved the Colony in a serious exchange loss in connection with the two-way account with SCAP but prompt action saved the situation and, as things are working out, there may be a profit instead of a potential loss. There is no doubt that Hongkong has proved a useful trading partner for Japan and with the passage of time SCAP has come more and more to rely upon Hongkong as a source of supply for Japan's needs and as an outlet for her manufactures. In the absence of any direct means of linking the economies of China and Japan Hongkong has been the intermediary and many transactions not involving shipments in and out of the Colony have been financed through the two-way account.

Import trade:—Textile formed nearly 10% of the total imports. The days when Whites and Greys were shipped here in vast quantities by Manchester have long passed away and even our Fancy Piece Goods trade with Lancashire, which reached its zenith immediately after the First World War, is but a shadow of its former self. In the case of Woollens and Worsteds Bradford goods still lead the way but unfortunately over-buying during 1948 has resulted in heavy stocks being carried over to the season which is just passing and owing to the virtual cessation of shipments to Canton there is still a substantial carry over, particularly in worsted suiting, to next autumn. The one consolation is that with the phenomenal rise in the price of raw wool replacing cost is now far above the landed cost of stocks held here and on paper there is a potential profit in view if demand revives. In this connection there has been an enormous expansion of the retail trade which plays a far more important part in the overall trade of the Colony than ever before. Many of the bigger stores are in a position to finance their own purchases but there are many smaller retailers who are good customers. The influx of wealthy Chinese from the North has greatly expanded purchasing power in the shops and a stroll along Queen's Road Central will convince one that there is an air of prosperity which has enabled many retailers to modernise their premises and thus to display their wares to greater advantage. It must, however, be borne in mind that much of the increased purchasing power comes from capital and it is doubtful whether this can be replenished. Retailers, therefore, should take care that they are not carried away by the increased turnover of the past year otherwise they may find themselves in a false position.

There are other categories of the Import Trade where caution is called for. One of the drawbacks to the Import Trade is the temptation to which many small importers succumb when there happens to be a shortage of a particular commodity. Enhanced profits made by those who have stocks leads to specula-

Hongkong's Rice Position

At the last Budget Debate in Legislative Council Hongkong Government made a statement as to the position of rice imports and supplies and the role of Government in this vital commodity. The official statement is herewith reproduced.

It was stated that the continuance of the Government monopoly in rice is contrary to the principles of English mercantile practice, a return to free trade in this key commodity is advocated. In maintaining the purchase and importation of rice on an inter-Governmental basis Hongkong does not stand alone. The export trade in rice from Siam and Burma is still firmly in the hands of the governments of those countries and Hongkong follows a policy which is in line with that of every other rice-importing country in the Far East. Since the end of 1949 the International Emergency Food Committee has no longer been allocating rice on a world basis but the decision to end allocation by international agreement was taken during the summer of 1949 when food prospects in the Far East looked much brighter than today. Last summer it looked as though rice supplied in the Far East would be sufficient to meet the requirements of all nations. Today, due to unsettled conditions in Burma and Indochina, South East Asia's exportable surplus of rice has dropped from 5 million tons, while China, always a deficiency territory in rice, is faced with possibly one of the worst famines in her history. The need to secure supplies of rice for this area is very grave, and in a few months it may be desperate. Government would be failing in its duty if in these circumstances it

took the slightest risk where feeding the population of Hongkong is concerned.

There is no doubt that if merchants in Hongkong were able, and were permitted, to import rice freely from Siam and Burma the price of free market rice would fall significantly, although even then it would not fall below the price of Government's rationed rice since all have to pay the same price for rice in the producing countries. In six months, with free trade in rice, there would be overpurchasing and the supplying countries would have sold what they had; the cupboard would be bare, both here and in Siam and Burma. It is essential that Hongkong should receive a guarantee in the shape of a contract with the exporting country for local minimum requirements of rice. This has already been done. Our contract for the current year for Siamese rice is already signed. The cost of laying in stocks on this scale is considerable. From the aspect of security and good house-keeping, it is necessary that adequate stocks of rice should be kept in Hongkong, and it is only Government which can carry the financial burden amounting to many millions of dollars. Even if there were adequate rice supplied from the rice-exporting countries to enable the market in Hongkong to be freed, it is obviously essential in present circumstances that an efficient and practical rationing system must at all times be in operation, and again it is only Government which can regulate and operate such a scheme. The prospect of Hongkong obtaining a larger share

this year than hitherto of the available rice has made possible Government's decision to extend the rationing system to include all persons with one year's residence in the Colony. This will bring the rationed population up to a total of 1½ million. The extension will come into force on 1st April.

The question of the quality of Government's rationed rice, leads again to the subject of free market rice. During the past few years, since the war, there has been a continual flow of high-grade Kwangtung rice into Hongkong at prices which were at times below Siam's export prices. This flow of rice from China into Hongkong was not due to the kind heartedness of the rice growers in China; it came here obviously because the rice growers were able to obtain better prices for their rice in this Colony than in their own country. It is an ill wind which blows nobody good and in this instance China's currency troubles benefitted the rice consumers of Hongkong. Although the prices of this Chinese rice have varied considerably from time to time the availability of these large supplies of good quality rice has meant that there has been a comparatively small demand for Government's rice imported from Siam, which, admittedly, for reasons beyond Govt. control, has not always been of good quality. Government has consequently had difficulty in turning over its stocks and they have had to be stored for longer than is desirable if the quality of the rice is to be maintained. The public has preferred to buy the higher grade Chinese rice even when its cost was higher, sometimes considerably higher, than the rationed rice. During the recent increase in rice prices public attention has been focussed almost entirely on the prices of this Chinese rice and the fact that Government rice has not risen in price has been overlooked. The ability of the man in the street to afford rice of a grade higher than he would have bought before the war has been an important social phenomenon. Standards of living have risen and the demand for the highest grades of rice is becoming greater than the rice-exporting countries of South East Asia can supply. Accordingly, Government has, in its recent negotiations with Siam, stressed the need for better quality rice than has been allocated to this Colony hitherto. An improvement in the rationed rice can therefore be expected, not only for this reason, but because with the drying-up of supplies from China there is now a much greater demand for and turn-over in Government rice and our supplies from Siam are consequently stored here for a comparatively short time and therefore retain their quality. Nor is it to be expected that these Chinese supplies will be resumed in the foreseeable future.

On the one hand the free market in local rice is becoming of less consequence in Hongkong's economy, and may in fact disappear altogether, while on the other hand Government is doing everything possible to extend rationing and to improve the quality of rationed

tive purchases by all and sundry so that when cargoes arrive supply overtakes demand and there is then a slump with weak holders feverishly striving to cut their losses. Chemicals and Paper are two lines which have suffered in this way and it is particularly galling to merchants who have regularly handled such lines to find their business affected by competitors who have no technical knowledge of the commodities which they are handling.

The Export Trade in China Produce has been extremely active. This was due, of course, to the virtual closure of Shanghai and the Northern Ports to ocean shipping but later in the year the reception of produce in Hongkong was reduced to small proportions. Nevertheless overseas demand for China Produce, particularly in the case of Wood Oil, stimulated prices and on the whole exporters did well in 1949. Since the close of the year it is reported that the People's Government are reorganizing the trade of North China no doubt with the object of arranging direct shipments to overseas markets. It is hoped that this will not involve any attempt to by-pass the experienced local importer and exporter, the value of whose services in the checking of qualities and specifications and in ensuring adherence to established standards are not always fully appreciated.

Local industry has been greatly en-

couraged by the removal of import restrictions in the United Kingdom. This has enabled many exporters to re-establish relations with their buyers in Britain and Hongkong manufactured goods are again meeting the demand for the lower income group whose needs are for something cheaper than British manufacturers can produce. It is however, of the utmost importance that local manufacturers in their endeavour to market their goods at an attractive price should shun any temptation to lower their quality.

There has during the year been a continued increase in the growth and establishment of industrial plants in the Colony which has been particularly marked on the textile side. Local industry is making an important contribution to the commercial life of the Colony and besides providing an additional source of import and export trade, is thereby reducing to a valuable extent our dependence on pure entrepot business. It is perhaps not generally appreciated to what an extent the efficient operation of existing plants and the establishment of new ones is governed by the question of water supply. In view of the great and growing importance of our industries to the economy of the Colony, it is hoped that Government plans for the establishment of new reservoirs will be pushed ahead with all speed.

Fish Wholesale Marketing in Hongkong

Report by the Hongkong Government
Fish Wholesale Marketing Organisation
for the period April 1, 1947 to
March 31, 1949.

The Hongkong Wholesale Fisheries Organisation has been started with the idea of converting it into a Co-operative Organisation when the Organisation has been built up and the fishermen considered educated enough in the principles of Co-operation and the ideas of the Scheme to handle it themselves.

The Marketing of Fish:—All fish has to be sent either to Kennedy Town or to Taipo fish market for sale by auction. A deduction of 8% on all sales is made before payment is made to fishmen. This commission, as it is called, represents funds by which the Organisation and its subsidiary activities are financed. There is a skeleton staff of Government officers at each market but the majority are paid from the fish commission fund. When the fish is sold the fisherman can get his money on the day of sale. The Organisation undertakes to deliver fish to the buyer free of charge.

Fish is collected at "Syndicates" which are situated at the various fishing villages in the Colony. The staff of the Syndicate is paid from the 8% commission deducted from the sale of fish. It consists of a "Chairman" and a "Fish caretaker" and office staff. The Chairman of the Syndicate is an employee of the Fish Marketing Organisation appointed by the Director of Fisheries. His duties are mainly the general supervision and running of the various activities of the Syndicate. The fish caretaker checks the fish as it is delivered to the Syndicate, makes out a list showing the name of each fisherman and the amount and kind of fish which he is sending to the market. He escorts the fish to the market, supervises the weighing and checking at the market, follows it through the auction, noting the prices, and collects money on behalf of all fishermen who are unable to accompany their fish and returns with it to the Syndicate.

The Marketing Organisation has a fleet of 16 lorries and 5 M.F.V. to transport fish to the market. The cost of this transport is borne by the Marketing Organisation, the fishermen only being liable to deliver their fish to the Syndicates.

To describe the organisation from a co-operative angle, the following may give an idea of how the set up is planned so as to be able to be converted into a Co-operative Organisation in the future. A Syndicate consists of all fishermen who are based in that fishing village and use that village as their collecting point. At present they are not members of the Syndicate, in the

rice. The maintenance of adequate day-to-day rice supplies and of rice reserves for this Colony is of the utmost importance — vital importance — and, such supplies and reserves can only be maintained by Government. The situation in 1950 is quite different from what it was in 1941, and we cannot — we dare not — leave such a vital matter in the hands of private enterprise.

true sense of the word, but look upon it as a collecting centre. They can go from one Syndicate to another as weather and fishing grounds alter. In the future it is hoped that these Syndicates will become properly constituted co-operative bodies of fishermen with a definite membership. The Chairman will be elected by them and they will have their own staff doing the duties of Secretary, Treasurer and Committee. At present the Chairmen of these Syndicates are all members of a Central Union, which meets once a fortnight under the Chairmanship of the Director of Fisheries, to discuss the work being done and other problems. The idea of this is that eventually this Central Union will become a Joint Committee of the Syndicates to co-ordinate the work of the Syndicates and will be run under the Chairmanship of one of the members of the Co-operative concerns.

Schools:—At each Syndicate in the village, fishermen schools have been started, run by a Committee of fishermen under the Chairmanship of the Syndicate Chairman, who is looked upon as a Headmaster of the School. These Schools are largely financed by the Fisheries Organisation and provide (to quite a large extent) free education for fishermen's children. These schools are very much appreciated in most districts and are coming gradually more under the control of the Education Department but still retaining a Fisheries bias in their educational curriculum. Executive Committees are being set up with Education Officers as members but fishermen are still members of the new Executive Committee.

Loans:—Considerable interest is taken in the Scheme of lending money to fishermen. A sum of \$250,000, originally lent by Government but now from the commission fund, has been set aside for loan to fishermen at small rates of interest. These loans are, generally, short term loans. When a fisherman requires a loan from the Organisation, he approaches the Chairman of the Syndicate for that loan. The Chairman investigates the reason for the loan, the fisherman's security and the fisherman's Guarantors. He makes his recommendations on a form as to the amount of the loan he considers should be granted. This form is then sent to the Wholesale Market where the application is investigated by the Savings Department who look into such things as the amount of fish the fisherman markets through the Organisation and whether he has been a regular producer. This section then recommends to the Director of Fisheries whatever amount they consider should be lent. Guarantors' assets are scrutinized by a member of Director of Fisheries staff and then final decision is left to that officer. This is all in preparation for the time when Syndicates will be self-operative and the Chairman of Joint Syndicate Central Union will be able to undertake the duties now performed by the staff of the Fisheries Department.

Advances:—Another facility which has been offered to the fishermen is that of 50% cash advance on all fish

brought into the Syndicate in order that he may obtain a certain proportion of the value on fish before it is sold. This advance system has not really got under way as yet, owing to the difficulty of safeguarding money at Syndicates, but it is hoped in due course that the Scheme will be able to operate satisfactorily.

Wholesale Purchase of Fishermen's Requisites:—Owing to the fact that prices for fishermen's requisites, such as Tung Oil, fish hooks, etc. are generally higher at fishing villages than in Hongkong, a Scheme is in operation whereby the Fish Marketing Organisation purchases fishermen's requisites at wholesale prices and retails them at a cheap rate on a cash basis to fishermen. Run in conjunction with this scheme, the Syndicate issues rationed rice to fishermen. This is an embryo Consumers' Co-operative Society activity.

Other Activities:—The fishermen, themselves, are forming small Co-operative Societies for the collection of fish and marketing through their Syndicates. These Societies are still suffering from growing pains and cannot really get under way until we have a Registrar of Co-operative Societies and they are organised on the lines laid down in the Ordinance. As well as these Societies, there is a fishermen's Canteen in which they hope to provide cheaper meals for fishermen, and various other embryo Societies.

In addition to all these various activities we place considerable importance on Welfare work amongst the fishermen. Discussion groups at Syndicates had been organised and fishing problems are discussed; the set up of their fishing village; public facilities for running of fish, the Marketing Organisation are criticized and fishing technique discussed with an object of making improvements thereto.

Syndicates:—There are ten Syndicates. Tap Mun, Kat O, Shataukol and Tai Po market their fish at the market at Tai Po, the remainder send their fish to Kennedy Town Market. A fleet of five M.F.V. serve the island Syndicates, i.e. Cheung Chau, Tai O, Kat O, Tap Mun and 16 lorries carry fish to market from the remainder. Fish is transported to market free of charge. Stanley Syndicate is looked upon as a sub-station of Aberleen, and Sai Kung a sub-station of Shaukiwan.

The following table gives a picture of the fish handled at each Syndicate.

	FRESH FISH	SALT FISH		
	Quantity (Piculs)	Amount \$	Quantity (piculs)	Amount \$
Aberdeen & Stanley	39,538	2,356,043	81,142	8,729,763
Shaukiwan & Sai Kung	34,401	2,945,679	79,301	8,800,162
Cheung Chau	16,591	1,230,727	77,511	4,109,546
Tai O	14,836	1,334,939	7,591	510,924
Tai Po	20,225	1,222,932	65	4,840
Tap Mun	2,683	155,360	1,352	85,602
Kat O	196	21,985	122	10,997
Shataukol	1,141	86,678	42	3,011
Direct to Market	10,075	868,900	10,635	614,688

Briefly, the main types of fishing craft at each Syndicate are as follows:—**Aberdeen**—The main centre for fresh fish trawlers and Purse Seiners.

The Situation in Foochow

The general business depression combined with the fact that Foochow is in the strategic centre of the continuing civil war has recently caused a serious crisis which is swiftly developing towards a collapse of the city's life. Commodity prices in spite of spreading poverty are soaring and even the previously better off citizens are now hardly earning enough to meet the bill of the most essential requirements. Purchasing power is dwindling in the face of almost general unemployment. The foreign trade of Foochow which, before the KMT blockade, maintained, directly or indirectly, a good one third of the population has completely ceased and thus also domestic trade is reduced to negligible proportions as Foochow no longer can export or import.

Several trawlers arrive each year from Amoy during the month of October. These trawlers fish at about 50 fathoms and trawl for Snapper, Garoupa, etc. They return to Amoy during April. **Shaukiwan** — Main base for big and medium Long liners and a certain number of Purse Seiners. About the middle of September trawlers arrive from China (Kong Hoi and Yeung Kiang) and are based here until the middle of December, middle of April when they return to their home port. **Cheung Chau** — Main base for Trawlers and Pa Teng with a certain number of Purse Seiners which fish inshore around the islands in the vicinity. The Pa Teng fish for Yellow Croaker, Mackerel Scad and fish fry. They depend mainly on Mackerel Scad for their livelihood. **Tai O** — The main centre for Big-tailed junks. A few Pa Teng come to Tai O for the Yellow Croaker season. **The New Territories Syndicates** — These are mainly used by Purse Seiners, Hok lo Teng and Hand trawlers. It is also the area for Stake Nets. Anchovies and fish fry are the main catch.

Education — A most notable feature has been the keenness of the fishermen to obtain education for their children. With the help of the Education Department, the Marketing Organisation had done as much as possible to provide education facilities. Substantial grants have been made to Schools in various Syndicates by both the Education Department and Marketing Organisation. Improvements to School buildings, provision of School requisites and furniture have been undertaken by the Organisation.

A Senior Fisheries Class has been opened at Aberdeen financed entirely by the Organisation and the pupils are paid subsistence allowance. The object of this class is to train the boys in Navigation, and modern fishing methods. Through the assistance of the Marine Department a three year apprenticeship has been organised for the pupils successfully completing a two year course at the Senior Fisheries Class. The boys are taught engineering and the handling of diesel engines and at the completion of the course sit the examination for an Engineer's ticket.

Despair is mounting as there are no prospects for an improvement; the delayed offensive against Taiwan, earlier publicised with so much confidence, appears to the people to indicate growing strength on the part of the KMT forces and, conversely, a decline in the fighting potential of the communist armies.

Under these circumstances the people are wavering in their loyalty to the new masters and the most arduous party workers no longer can convert the masses. Party discipline is breaking here and there and corruption, in an environment of misery and utter want, is rearing its head without blushing.

It is now most difficult to contract loans as even the pawn shops have either no cash or are afraid to stock up belongings and goods of any description as riots must be expected if the situation does not improve. But the general consensus of opinion is that an improvement, at least until Taiwan's forces have been eliminated, is out of the question and that further sufferings must be endured. The morale of the people is very low and the city govt knows it but is helpless and also discouraged.

By sending the poor back to the country nothing is achieved as in the hinterland of Foochow general destitution is even worse than in the city; food is getting ever more scarce and relief from other provinces is, even if it comes, far too small to alter the dismal outlook. The harvest prospects are below normal and in many areas estimated to be extremely low; the peasants are not, as is untruthfully reported by official propagandists, at all cooperating with the authorities, they just try to remain alive and sell to the city what little remains after tax collectors have carted away a good third of their crops. Landlords are time and again getting some rent out there is no way of enforcement if farmers refuse or, what actually happens, are unable to make any payment in kind as nothing is left to take away. The agrarian problem has not been solved by parcelling out land to the tenant farmers; these people have no money to buy seeds, implements, cloth or any of the most essential goods which they or their families require.

Foochow is a forgotten city; the central govt in Peking has more vital matters to brood over than to come to the rescue of northern Fukien. But without help on a very generous scale Foochow will not be able to get along this year; there are scarcities in everything and no funds to finance import—even if some sort of trade was again permissible—as stocks of native produce, by & large, have greatly declined while new production is neglected. The city cannot buy from the country, at least not enough to keep the population afloat; Foochow has become unproductive and its maintenance a problem of charity rather than commerce.

There is an exodus of the relatively well-to-do but whether these people will in the end better their position

remains to be seen. Some emigrants have come to Hongkong where they hope to find employment or, with their meagre resources, start some business; in congested Hongkong however new businesses cannot be opened without running the very real risk of losing one's investment (there has been already conspicuous overtrading and overbuilding in the Colony and new venture capital is finding, except for very ambitious projects, less and less opportunities). Many recent arrivals from Foochow are dispirited after a short but adequate survey of Hongkong's commercial outlook as far as these Fukienese are concerned; none came here with a fortune and they are pressed for starting something soon or risking destitution in Hongkong. To the Philippines is a very dangerous and costly route as the govt in Manila has draconianly debarred all Chinese from entry into the islands and refuses to consider any requests for entry even made by bona fide travelers. Smuggling of Chinese into the Philippines is getting ever more difficult but the degree of desperation of the Fukienese is such as to make them ignore the dangers.

The few foreigners still left in Foochow are now, after earlier hopes though without practical foundation, preparing to pull out as they have come to the conclusion that no business can be conducted under present conditions; doctors, for instance, are unable to earn anything commensurate with their expenses as the average patient cannot afford the high cost of sickness. The only foreigners who may continue to stay behind are a few missionaries who will do their charitable work in schools and hospitals.

Politically the outlook is gloomy for the CCP who are now faced with combatting poverty and defeatism. In the long run, provided that the war can be brought to an end, the new govt may prove its value in the eyes of the people but for the time being the popular feeling is rather hostile. What blame was showered before on the KMT is now equally placed on the CCP's shoulders. Banditry in the country and sporadic guerrilla outbreaks tend to make the position of the new govt more precarious but as there is no organised political opposition and a return to the KMT is ruled out the CCP does not encounter any real challenge to its regime. If there is any nucleus for 'Titoism' in China, Fukien provides it amply. Resumption of normal relations with the West is desired and even the local CCP does not openly object to such strivings though in Peking the fulpledged international policy as prescribed by Moscow has recently been reinforced. Fukien was never very 'centrally' inclined and a separatist movement, from imperial to KMT and now CCP days, is firmly entrenched in the province. If the foreign policy of the central govt can be blamed, with good reason, for the desolation now spreading in Fukien then the possibility of a rising demand for autonomy may not be long in materialising. This eventuality is not lost sight

Economic Developments in Taiwan

Foreign Trade:— Chinese Imports Approval has been given for the import of mainland Chinese goods into Taiwan that were shipped to Hongkong prior to the communist takeover of the mainland. The Executive Yuan has been asked to waive import duties on these goods.

Sugar: Provincial authorities have been asked by the Taiwan Federation Chamber of Commerce to lift restrictions on sugar exports to Japan, with a view to encouraging cane planting, increasing trade with Japan, and boosting the market price of sugar. In February, a total of 73,810 metric tons of sugar was reported to have been exported from Kaohsiung, which figure exceeds Taiwan's total annual exports of sugar in 1948 when 72,491 metric tons were shipped abroad. (Kaohsiung, located on the southwestern coast of the island, was formerly known as Takaao.)

Jute: On March 3 the Provincial Government approved the free export of jute to Japan on a barter basis. A total of 68,000 metric tons of jute had previously been ready for shipment from Kaohsiung.

Tea: According to the Tea Dealers Guild, exports of tea amounted to 324 metric tons in February.

Salt: The local press reported that a contract had been signed for the delivery of 300,000 metric tons of Taiwan salt to Japan during 1950.

Banking and Finance:— On March 2, the Bank of Taiwan announced it would start buying and selling foreign exchange surrender certificates at the new rate of NTY7.50 to US\$1. The 87 applicants who appeared on the first day were told that applications had to be screened by the Industrial and Banking Subcommittee of the Provincial Production Committee.

The Bank of Communications was designated by the Financial Ministry to handle overseas Chinese remittances; the bank, however, will turn over such foreign exchange to the Bank of Taiwan. Commercial banks, the Land Bank, and the Provincial Treasury decided to lower the daily interest rate on loans to 3 per mille effective March 16.

The Industrial and Banking Subcommittee referred to above, allocated the following US dollar exchange on February 28: \$275,000 Japanese barter credit to the Keelung Municipal Government for water pipe; \$51,800 to the Bank of Taiwan for elevators for wharf godowns at Kaohsiung; and, \$40,000 Japanese barter credit to the National University of Taiwan for equipment. The Subcommittee also approved a loan of NTY390,000 to the Provincial Farmers Control Bureau

of by the local leaders of the communists but as long as economic conditions cannot be improved and the life of the common people remains so depressed as today, the political situation must remain, by necessity, unstable.

for the transportation of lumber. On March 3 the Provincial Bank loans totalling NTY2,398,000; half of these were long-term loans extended to 81 firms while the remainder were short-term loans to 91 firms.

It was reported in the provincial press that substantial amounts of ECA commodities now en route to Taiwan would withdraw a considerable portion of the currency from circulation.

Taxation:— The Provincial Government paper reported revenues derived in February and expected receipts in March from the following sources as: Provincial Tobacco and Liquor Bureau, income to NTY3 million in February with NTY5 million expected in March; Provincial Supply Board's commodity sales netted NTY5 million in February with NTY10 million expected in March; receipts from sales of patriotic bonds in February came to NTY11 million with at least NTY25 million expected the following month; revenue from Defense Surtaxes amounted to NTY9 million in February with receipts from this source expected to net NTY12 million in March; and proceeds from sales of Japanese houses in February came to NTY7 million with another NTY 15 million expected in March.

Commodities:— No change was noted in the prices of leading commodities in Taiwan. On February 27, the Provincial Police Administration fixed the ceiling price of pork at NTY4.50 per catty, a price that has prevailed for some time on the free market.

Reports from Thailand

Thai Government apprehension occasioned by decreased United States dollar income during 1949 developed rapidly into serious concern at year's end. Decreased earnings were attributed, in part, in a cessation of United States dollar purchases of rice for China and lower dollar prices for tin ore and rubber.

The Bank of Thailand was concerned by the annual problem of finding sufficient foreign exchange to make remittance allocations to the petroleum companies for 1950 imports. The problem was tied closely to that of granting more foreign exchange to tin exporters who, through 1949, were required to surrender 50 percent of their foreign exchange to the Bank of Thailand. At the year's end, both problems were still unresolved, although the Minister of Finance announced on January 24, effective January 1, 1950, that tin exporters would be required to surrender only 40 percent of the foreign exchange derived from the export of tin.

The baht continued to depreciate in relation to the United States dollar during December 1949, a trend which was evident as early as October. On December 1 the dollar buying rate in the free-exchange market was 22.10 bahts and the selling rate was 22.30 bahts; December 29 the baht had depreciated to 23.25 (buying rate) and 23.45 bahts

(selling rate). There is an annual increase in demand for foreign exchange, particularly for United States dollars, in December and January, occasioned by the arrival of the Chinese New Year. However, there was little doubt that increased demand for United States dollars from Hongkong accentuated the trend.

On December 13 the Lower House overrode the Senate's opposition to a supplementary 1949 budget approving an additional 188,427,909 bahts. The supplementary appropriation, when added to the original budget of 678,927,109 bahts, raised the 1949 total to 867,355,016 bahts.

In the realm of international trade, December was an important month in Thailand. A US\$90,000,000 Thai/SCAP (Japan) trade agreement was initiated, covering US\$45,000,000 worth of products from each country. SCAP was primarily interested in obtaining some US\$36,000,000 worth of rice, and Thailand was interested both in planning disposal of the expected 1950 rice surplus and in establishing credits covering the purchase of rolling stock, light machinery, and chemicals. At the end of the month, it appeared fairly certain that a Thai order for 50 steam locomotives, 30 coaches, and 500 freight cars would go to Japan. Trade talks with the Philippine Republic and Western Germany concerning possible barter arrangements, and with Burma concerning rice prices also received both private and official attention.

Merchants looked with favour upon the establishment of the new Government of the United States of Indonesia. Several local banks and commercial companies indicated tentative plans to open branch houses in Indonesia.

Total rice exports for 1949 were estimated at 1,132,000 bahts at official exchange rates. A tentative market for 800,000 tons of the 1950 exports surplus was in view by January 1.

Tin-ore shipments to the United States reached 187.77 long tons in November, having an estimated value of US\$226,317; December shipments were estimated as 590.15 long tons, having an estimated value of US\$677,538. Secondary exports to the United States in December were valued at US\$944,013, including US\$171,035 in reexports. Preliminary totals for December, for the fourth quarter, and for the year 1949 are shown in the accompanying table.

Secondary Exports to the United States
(In thousands of dollars)

Commodity	December 1949	Year 1949
Precious stones	178	2,738
Shellac	73	833
Seedlac	356	3,375
Pepper	—	1,018
Hides and skins	171	1,374
Wolfram ore	35	398
Turk	36	65
Kapok	33	263
Crude glycerin	5	32
Coconut oil	—	27
Gum damar	11	66
Crushed bones	—	50
Siamese silk	—	18
Tin residue	—	55
Miscellaneous	46	224
Total	944	11,142

FINANCIAL REPORTS

HONGKONG FREE MARKET

GOLD:— Last week's highest & lowest prices per .945 fine hongping tael \$271—262, equiv. to .99 fine tael \$283.90—274.47, and .99 fine oz. \$235.93—228.09. Week's opening rate 269, closing 287%. Crossrates US\$37 1/4, high, 36 3/4, low.

Macao and Canton markets, dealing in .99 fine taels, ruled firmer than Hongkong, prices there were \$285 1/2—277 1/2, and \$284—278 respectively.

Interest in the forward market totalled for the week 43 cents or 7 1/2% p.a., a low rate considering the tight money position here and high free market interest paid by merchants with up to 100% security offered in commodities and real estate. The low interest was believed to be a result of manipulations inside the Gold Exchange. Significant was the change in forward interest in Macao where on one day forward buyers obtained 3 cents while in Hongkong interest was continually running in favor of oversold speculation.

As prices are touching record low levels and the crossrate has narrowed, within US\$ 1, down to the official US Treasury price there seems to be no further ground for forward selling; however the local stock is vast and every week a small balance of trade in favor of imports accumulates; there is also the threat of further and sizeable sales of gold from the agent of the People's Govt of China which makes speculators reconsider their position and consequently the mood of the market is still in favor of an oversold position.

The future of gold stocks in China, as held both by official sources and by the public at large (especially merchants), is a question which hangs like a Damocles sword over the local market; small sales, that is in relation to stocks possessed by the Chinese authorities, have already upset local bullion dealers and there are reports that the local agents of the Chinese govt are exploring new sales avenues. That the Taiwan KMT govt is in the market and pushes sales has had a depressive effect here for many weeks past; this pressure is far from over and it is quite possible that as long as local prices are higher than the US Treasury's buying price Taiwan's gold, from official and private hoards, will flow to the Colony for disposal. But where this gold is going to be shipped to is the problem worrying local bullion dealers; there is, of course, a possibility, via Macao, to get larger stocks out into India and into Europe but by offering large lots the world price is depressed and there may, eventually, not be a chance to get rid of gold, bought from China and Taiwan, with some profit. To lay in stocks of bullion these days, in the expectation of profitable disposal in the near future, may turn out in the end as a losing proposition.

Local goldsmiths' uptake has practically come to an end; what ornaments are to be manufactured here, for sale

to local buyers and to travelers as well as for rather small export to nearby countries, can easily be supplied from the public turning in old gold articles for melting down; besides goldsmiths also keep large stocks which were acquired at higher prices and jewelers first want to clear their stocks before taking up new though very cheap gold.

Fortunately for stockholders, Macao shipped over 40,000 ozs of gold out and there are hopes that continued shipments from the Portuguese colony, mostly contracted by foreign dealers on behalf of European buyers, may relieve the position in Macao so that some of Hongkong's treasure could be got rid of by dispatching it to Macao.

Last week's forward sales: 415,000 taels (.945 fine), a daily average of 69,000 taels. Buyers and sellers the usual groups and for the usual purposes. Daily average position: 187,000 taels.

Cash bars sold: 61,000 taels (of which inside Exchange 42,280). Forward interest hedgers again absorbed a large amount, viz. 59,000 taels, which fact proves that there is insistent downward speculation which even at the present low HK\$ price and a record low crossrate maintains that prices have to slide down a good deal more. In this a la baisse speculation local operators view the weakness of the TT New York rate as indicating, if not a drop in the crossrate below 36, a reduced HK\$ quotation for local gold bars.

Imports totaled 8000 taels (all from Taiwan) and exports about 200 taels (to ports in the vicinity)

Highest & lowest .945 fine gold and TT New York quotations:

	gold	US\$
March	high	low
27	269 1/2	265 1/2
28	270 1/4	265 1/2
29	271	266 3/4
30	268	264 1/2
31	266	262
April	631	630 1/2
1	268 3/4	264 1/2

US\$:— Highest & lowest free market rates per US\$ 100 in HK\$—notes 630 1/2—622 1/2, DD 632—627, TT 634 1/2—629 3/4, equiv. to crossrates at the 1s.3d. parity of US\$ 2.521—2.254.

Sales aggregated US\$2 1/4 million, about equally divided between the TT and the DD & notes sector.

The market was amply supplied by various sources prominent among which were gold exporters (converting part of their proceeds into the local currency), the Taiwan govt and KMT officials (converting some funds in New York into HK\$ for payment of locally contracted commodities; converting donations made by such KMT dignitaries as Drs H.H. Kung and T.V. Soong into HK\$ for payment of locally contracted commodities and war material supplies), silver exporters (who obtained for consignments, made some time ago to New York, 75% of proceeds free of local Exchange Control which had to be changed into HK\$ for financing of further imports from

China and purchases of silver from the local stock) and oversea Chinese family remittances (arriving here in larger volume prior to the 'Ching Ming' festival which is to be celebrated in the current week).

Buyers of TT, drafts and notes were importers (including those who have letters of credit opened by local commercial banks in favor of their American or other hard currency country supplier but who have now to deposit far higher margins than at any time before as a result of overstocking and trade stagnation in China) and—also for payment of imports as arrived or contracted for—one or more agents of the Chinese govt. (The native bank firm of Po Sang has been acting, in many transactions, on behalf of the Chinese govt and most of their sales or purchases are, with or without justification, surmised by the market to have concerned Chinese official orders. Last week's purchases by the said bank aggregated about US\$3/4 million).

In recent weeks there has been growing activity by a few old and some new brokers to interest local and China refugee investors in US securities and also commodity speculation. If efforts of these brokers are partially successful then some new demand for TT New York should result; but this sort of capital flight (as far as local investors are concerned) or redirection of refugee funds would not in any event affect the market in a bullish manner. There is a distinct and persistent oversupply of US\$ noticed here while at the same time sterling rules firm in most overseas markets; in fact, speculative interest here is turning to new investments inside the sterling area.

The money market has turned even tighter for merchants generally and for a great many financiers as well; Shanghai capital which has entered the Colony in the form of funds in the US or US notes is slowly converted into the local currency (both for defraying locally incurred expenditure and for financing of new ventures) and this trend has recently been accelerated. Many Shanghai financiers (this word is used for want of a better and more descriptive one) have also put some of their capital to use among mortgagees lending out, usually without any or with most inadequate security, monoy against high monthly interest (2 to 4%) in form of US notes, stipulating repayment in US notes as well; but in recent weeks they have changed their idea about the value of the local currency and have made loans in HK\$ rather than US\$, and consequently they have further contributed to the sales pressure of US\$ in the native money market.

Silver:—Highest and lowest prices in HK\$—per .99 fine hongping tael 5.05—4.97, per local and Mexican dollar coin 3.18—3.12, per Chinese coin 3.21 1/2—3.14, and per 5 pcs of 20c. coins 2.70.

Market sales for the week: 240,000 ozs. (in weight, mostly comprising coins).

Exports were consigned to the US and, to a smaller extent, the UK totaling approx. 300,000 ozs fine.

Imports were enormous and further shipments to the Colony are en route; local stocks have mounted and the same development is reported from Macao. The Chinese govt, acting in this case also through the Po Sang native bank, offered big lots on the market and there were rumors of vast silver stocks being on their move to Hongkong. This development has somewhat upset local silver dealers who also found a sign of weaker prices to come in the lowering of the New York buying price by ¼ USc.

Arrivals of silver from Canton were estimated last week at around ½ million ozs (most of it believed to have been declared) practically all in form of dollar coins. Imports which were not declared comprised relatively smaller lots from Macao (ex old stocks and from newly imported hoards held in Hainan), in dollar coins, and approx. 60,000 ozs of silver guilder coins and another smaller lot in ingots (of about 2 ozs each) brought here from Indonesia. The exporters in Jakarta (Batavia) did not obtain clearance by the customs there. The larger portion of the Indonesian silver hoard was melted down and then refined (to local standards) by the On Loong native bank and bullion dealer.

The most important matter in the silver market will be the policy of the Chinese govt. As there appears to be no need for holding stocks of this or any other precious metal in the treasury of China while needs for imports of many types of goods are becoming more pressing, especially now when famine reports from many parts of China are increasing, future sales of silver (in coins and ingots) in Hongkong must be anticipated. The price position will however only be affected by a change in the New York buying rate; as long as the present price in the US does not undergo any revision silver exports from Hongkong to America can be effected profitably and the local Exchange Control, who is authorised to request exporters to sell 25% of their proceeds at the official rate, should also feel satisfied.

Bank Note Markets:—Highest & lowest rates of last week in HK\$—piastres 12½—11, Indonesian guilders, new issue after war, 11½—7, old issue prewar, 11—5, Siamese baht 27½—27 (small denominations 26½—26). (per 100 foreign currency units). Bank of England note 15.50—15.40, Australia 13.05—12.95, Canada 5.63—5.60, India 1.08—1.04½, Burma 78, Ceylon 95, Malaya 1.81¼—1.80¾, Philippine peso 2.58½—2.51.

Chinese Exchange Markets:—Highest & lowest rates (per 100 in China), Canton HK\$99.20—98.40, Shanghai gold 83¼—79½, US\$92½—92. (Business transacted for Shanghai 450 taels gold, US\$12,000, for Canton HK\$750,000, for Amoy US\$25,000, for Swatow HK\$ 450,000). Official buying rate of HK\$ in Canton PB\$6150, black market rate 6500—6600. As money in Canton was tight (after victory loan drive and relentless taxation) black market rates narrowed down to official rates.

That the share market has lost almost all appeal to the investing public has become clear during the last few months; there is virtually nothing which can arouse new interest short of a major political change in the situation in the Far East—a most unlikely development. It might therefore appear superfluous to comment week by week on the market performance, on trends, outlook and the like. There are however readers who apparently haven't yet got enough and prefer dirges rather than mournful silence.

The annual series of company meetings is slowly coming to its end; most reports were showing, as expected, good working results during 1949 and ample profits which however in many cases have not been distributed to shareholders. Some protest was voiced but shareholders being on the whole as apathetic as the community at large when it comes to matters affecting their interests, the directors have not taken more than polite cognisance of their grievances. Nothing has been done, by company directors, to improve sentiment in the market by distributing

EXCHANGE REGULATIONS OF UNITED STATES OF INDONESIA

The Government of the United States of Indonesia has introduced, effective March 13, a new foreign exchange policy, the major technical features of which are as follows:

1. Exporters are required to surrender, as heretofore, their foreign exchange proceeds to authorized banks on behalf of the Foreign Exchange Fund at the official rate. However, they are entitled to repurchase from the bank, at the official rate, 50, or in special cases, 100 percent of the amount of the foreign exchange, provided they hold import or exchange licenses. This right to repurchase foreign exchange is incorporated in negotiable certificates in local currency computed at bank's buying rate. The certificate is valid for 30 days.

2. Imports into Indonesia will be regulated primarily by import licensing instead of through direct foreign exchange control. New regulations require that import license holders be in possession also of certificates for equivalent in local currency computed at bank's official selling rate of 100 percent, or in special cases, 50 percent of the amount of foreign exchange involved.

3. All dealings in these certificates are confined to authorized foreign exchange banks. Because of the demand for these certificates on the part of importers—the supply of which originates with exporters—certificates will command a price. This cost, added to the official exchange rate, will constitute the effective rate of exchange.

4. Certificates may be acquired or sold on a forward basis, i.e., by entering into contract with the bank for delivery of certificates of a future date. These forward certificates must be related directly to transactions involving foreign exchange.

better dividends although there was some support behind the directorial bamboo curtains for a policy of treating holders, once in a blue moon, better than in ordinary years. It would have been wise financial policy to stimulate share buying by doling out some higher dividends and/or bonuses in respect of 1949 business thus making investment in local shares even more attractive than it undoubtedly is already at prevailing record low quotations.

At a recent meeting a shareholder suggested that rather than invest profits in securities such excess profits should be distributed to shareholders who would be quite capable to look for profitable investments of their funds. If this suggestion would have been taken up the value of a share could have been expected to have appreciated; but as at is today the shareholders do not participate in the boom and have to be content with dividends as obtained in earlier years.

Several companies have recently capitalised their reserves but instead of distributing part of these funds to shareholders they decided to increase the paid-up capital and thus gave holders another piece of nicely coloured scrip though the majority would have preferred cash.

In the case of the Dairy Farm company it is expected that directors at the forthcoming meeting will follow this example—probably a very good policy in ordinary times but not suitable under present 'emergency' conditions. The Dairy Farm's profit for 1949 was very high but shareholders will not receive as in previous years a \$4 dividend and bonus but only \$2; however they will obtain one new share per every share presently held. The directors explain this procedure with the necessity of their raising new funds for further development of the already highly developed enterprise. In future, it may be surmised, the Dairy Farm will earn more from expanded business and shareholders will participate in these higher earnings—provided that the appetite for further and more ambitious development of the enterprising directors can be curbed in the future.

Under present conditions (a neat phrase which is fully appreciated here as concealing the doubts and apprehensions of the community about the future) the average shareholder is not as zealous as the company directors seem to be and prefers cash to new scrip of dubious value in the years to come. One thing the Dairy Farm shareholder knows and that is that he will get only half of the money in respect of 1949 than he obtained for the preceding year. The consolation of new scrip will not be sufficient to smother his present frustration.

Company directors of course realise that among holders there are many who calculate with their income from investment and would oppose, if they had the courage, proposed cuts in dividend payments especially in years of record breaking earnings and profits. If a company, as in the case of Dairy

Farm, requires new capital let the directors come out, after having distributed a good dividend, in proper relationship to higher earnings of the company, and solicit new funds from the market. If investors have confidence in the sound business policy of directors then adequate capital will be subscribed and, most probably, the majority of new shares will be taken up by the old holders who enjoy the privilege of purchasing one new share at the nominal price while non-holders may even have to pay a premium.

But directors have, it appears, lost confidence or possibly investors have lost confidence in the local company directors, by & large; and thus directors want to play safe and knowing that there won't be any serious opposition to their recommendations they proceed against the interests of a large number if not the majority of holders though they find justification for their action in the belief that it is all for the benefit of investors if a long view is taken. But investors, at present, do not take the long view and do not like financing of new development from current earnings. It might be argued that directors show much confidence in the future and stability of Hongkong and the average investor takes a somewhat unreasonable view of the shape of things to come; but he cannot be blamed for feeling uneasy as so many pundits, here, in London and elsewhere have succeeded with their predictions to upset a not inconsiderable number of investors. To right this unfavourable psychological situation something more potent than timid suggestions by shareholders at company meetings must be undertaken.

Last week's market report of the Stock Exchange Committee stated that the season of final dividends being practically over less interest is being taken in the Market. In addition to this, the Market seems to have fallen into a rut, rates fluctuating with a definite downward trend. At the moment the stop to this dip shows no signs of ending.

Business reported during the week \$637,784.

Prices & Sales of last week:—

	High	Low	Sales
H.K. Govt. 4% Loan	99	99	\$35,000
H.K. Govt. 3½% Loan (1948)	97	97	\$70,000
H.K. Bank	1400	1370	30
Union Insurance	600	590	80
Asia Navigation	.85	.85	1,000
N. Point Wharves	5.60	5.60	100
Wheelock Marden	28	26	1,400
H.K. & S. Hotels	9.60	9.60	200
Shanghai Lands	1½	1½	2,000
H.K. Tramways	13.70	13.30	6,850
Peak Trams (O)	17	17	185
do (N)	8	8	154
China Lights (O)	11.30	11.20	7,525
do (N)	9.20	9.20	3,96
H.K. Electrics	26½	26½	400
Telephones	16	16	300
Cements	11½	11½	1,200
Dairy Farm	39½	39½	100
Watson	28	28	894
Lane Crawfords	21½	21½	900
Sinceres	3.80	3.80	247
China Emporium	9½	9½	1,000
Kwong Sang Hong	100	100	50
Vibro Piling	11½	11½	2,000
Yangtze	3.60	3.60	3,500
Ewo Cotton	3	2.90	12,400

HONGKONG PUBLIC COMPANIES' MEETINGS

HONGKONG ROPE MANUFACTURING CO. LTD.

The 61st ordinary annual meeting of shareholders of the Company was held here on March 21 when it was stated that the results of the year's trading is a net profit of \$855,750 which includes an amount of \$140,659 from rents and interest on mortgage. This profit added to the balance brought forward from last Account and the sum of \$11,867, provision for Corporation Profits Tax no longer required, gives balance at Credit of Profit and Loss Appropriation Account of \$1,065,351 which was dealt with as follows:—Transfer to Plant Replacement Reserve \$200,000; Factory Reconstruction Reserve \$100,000; Staff Superannuation Fund \$100,000; Staff Passage Reserve \$4,500; Chinese Employees' Benevolent Fund \$10,100; Corporation Profits Tax Assessment 1950/51 \$82,000; bonus to staff and workers for 1949 \$51,699; dividend of \$1 per share, free of tax \$200,000; bonus of \$1 per share, free of tax \$200,000; carry forward to 1950 \$117,052.

Further substantial sums have been provided for the modernisation of the plant. During the year machinery was ordered to bring one section of the factory up to the last modern standards. The roof of the factory is very old and of antiquated construction and the time will shortly come when it will have to be replaced at a cost of some three or four lakhs. The proposed transfer to Factory Reconstruction Reserve represents a first instalment of this cost which it is proposed to spread over some three years.

During the year the remaining houses of the Kennedy Town property were rehabilitated and all are occupied at rentals in line with those prevailing in that district.

Stocks and Stores have been valued as usual at cost or under. Depreciation on Plant and Buildings has been provided for on the customary basis and Current Assets exceed Current Liabilities by \$1,004,465. Payments in advance show a large increase, accounted for by purchases of hemp and payments of deposits for new plant.

The figure for stocks of rope, raw materials and stores is considerably higher than that of last year due to devaluation and to the larger stocks of hemp and rope necessary for increased business, which are being temporarily financed by overdraft.

Production and sales of rope again showed a substantial increase over the previous year, which is reflected in the increased profit on working, but costs of manufacture have lately risen and do not yet appear to be stabilised.

During the year the hemp market remained steady with prices at a high level.

Deliveries this year to date are slightly in excess of those for the corresponding period of last year.

HONGKONG LAND INVESTMENT & AGENCY CO. LTD.

The annual meeting of the Company, the largest property owner in the Col-

ony, was held here on March 21. The Company's permanent chairman of the board is the local manager of Jardine Matheson & Co. Ltd. The firm owns a very large section of the Central district. Because of this a large measure of responsibility for providing the necessary amount of accommodation for the expanding needs of the commercial community falls on this Company. This has been no easy task; the responsibility has to be related to ordinary economical prudence and everyday practicability. The re-development of any particular building could not be undertaken until existing tenants had either alternative premises or had been re-accommodated by the Company. Progress made since 1945 has been steady, albeit slow; the three floors have been added to Marina House, Edinburgh House, has just been completed and Company is about to embark on the last stage of the first post-war development programme with the re-building of Alexandra Building. On its completion it will have added some 230,000 square feet of new office and shop accommodation to total properties. Yet it is only the revenue from the three extra floors of Marina House that is reflected in the present accounts.

Under the revised Landlord & Tenant Ordinance an increase in controlled rents was permitted as from November 1, 1949, and consequently only two months of this additional revenue is included in these accounts. This increase has gone only a small way towards meeting the present high costs of property maintenance and operation.

All the more urgent repairs to properties were completed by the end of 1948 and a lower scale of expenditure on general building maintenance may now be taken as normal. A progressive improvement in the standard of operation and maintenance throughout the properties will nevertheless be continued, although non-essential expenditure on redecoration and superficial repairs must continue on an austerity basis so long as rent control of business premises remains.

Turning to the Profit and Loss Account, the net profit for the year, excluding capital profits, amounts to \$1,511,414, an increase of some \$152,000 over the year 1948.

The Gloucester Hotel continues to show a fair return. The relatively moderate charges which have been maintained despite greatly increased costs as compared with those before the Pacific War resulted in the Hotel being fully occupied. So long as the present abnormal demand for accommodation continues the Hotel will add its quota to the earnings of the Company, but it must be recorded that a comparatively small percentage of vacancies would make the present charges uneconomic.

There was a substantial increase in revenue under the heading of Agency Commission. In 1948 the firm engaged a qualified officer with the object of developing the Estate Agency. This Agency Department is now expanding successfully.

Balance Sheet: The Contingency, for which the major part of the sum of \$480,000 was provided in last year's

balance sheet did not in fact have to be met. This provision was against the possibility of having to pay Corporation Profits Tax on capital profits realised on the sale of certain properties, and it is now possible to transfer \$350,000 to the Building Development Reserve where it rejoins the Capital Profits which form the basis of this Account.

On the assets side of the balance sheet the increase of some \$3,500,000 under the heading of fixed assets is due mainly to further expenditure on Edinburgh House during the year. This increase is offset almost entirely by reductions in Investments and Loans as funds were required for the construction of this new building.

The balance of deferred expenditure under the heading of Renewals and Renovations has been reduced substantially. This account has been set up to care for expenditure which cannot properly be attributed in toto to the year in which it is incurred. During the year there has been \$68,489 of such expenditure and against that some \$209,000 has been written off at a predetermined rate which varies from three to five years depending on the nature of the repair or renewal concerned.

The sum available for appropriation amounting to \$1,575,982 was distributed in the following manner:—dividend of \$3.20 per share, free of tax \$1,280,000; transfer to Building Development Reserve \$15,000; Corporation Profits Tax \$200,000; a bonus to Staff \$30,000; carry forward \$50,982.

SANDAKAN LIGHT & POWER CO. LTD.

The 23rd ordinary annual meeting of shareholders was held here on March 24 when it was stated that the past year was one of progress. The Accounts today give the position of the Company at the end of the third year of rehabilitation and reconstruction, a period which has been full of vexatious delays in obtaining the necessary equipment to replace that which was destroyed in 1945 by the Japan. All left of fixed assets was the rubble of a burnt-out Station, covered with secondary jungle, from which a small amount of salvageable plant was finally recovered. The Station had to be rebuilt. From early 1946 rehabilitation has proceeded slowly but steadily, and at June 30, 1949, a total of \$964,000 had been expended on this task. The end of this difficult reconstruction period is now in sight.

The Station now consists of three Alternators having a total capacity of 1260 KVA, which is nearly double the pre-war capacity and is capable of fulfilling the present and near future demands from the anticipated development of the Sandakan area. The present demand per month has not yet reached the 1941 figure of 82,000 units, but there is a steady upward trend. The figures for February 1950 were over 49,000 units as against 22,296 in June 1949.

The loss on working for the year under review was \$71,781. After taking into account Depreciation and Interest

charges etc., the total loss amounted to \$121,400.

The Administration has been concentrated in Sandakan in the hands of the North Borneo Trading Co., Ltd. The subsequent saving in Administration expenses as the result of this move should bear fruit in forthcoming years.

Buildings, Plant, Machinery Account has been increased by almost \$155,000 and now stands in the balance sheet at \$666,845.80. This year is planned the erection of a permanent Office and Store Building, an extension and some much needed repairs to existing Workmen's Quarters. It is also hoped to make a start on the erection of an additional Boiler which is required to get the full rated output to the new turbo-alternator.

A. S. WATSON & CO. LTD

The annual meeting of the Company was held here on March 24 when shareholders were presented with a highly favourable report which showed the continued substantial improvement made by the Company during the past year, which is reflected in the fact that the net profit for the period under review, after providing for all bad and doubtful debts and allowing for depreciation, is \$2,870,106 which exceeds the corresponding figure of the previous year by \$829,448. To this amount must be added \$263,970, being the credit balance of the Profit & Loss Appropriation Account as at October 31, 1948, which, less transfer to Provision for Taxation of \$400,000 leave a balance of \$2,734,076 available for allocation. This figure represents an increase of approximately five and a half lakhs over the equivalent amount for the previous year.

The firm expended almost \$2,400,000 on additions to the fixed assets and this refers mainly to capital outlays for the completion of the construction and equipping of the new aerated water factory in Kowloon which commenced normal operations on 17th June last. This new plant has fulfilled all expectations. The net sales in Kowloon and the New Territories last year exceeded the previous year's figures by 63 per cent. At the North Point factory also, output again substantially exceeded the former year's figures and, with both factories operating at full productive capacity during the summer months, net volume of sales during the year represented a 50 per cent advance on the previous highest figures in the Company's history.

Profit & Loss Account:—Depreciation has been charged in the sum of \$302,949, which is an increase of \$170,000 over the corresponding figure for last year by reason of the additional capital expenditure. In view of the recent political developments in China, it was deemed prudent to write off the Company's buildings and machinery at Pak Hin Kok, Canton, which stood at \$186,405.

Balance Sheet:—Stocks in hand and in transit are now about five lakhs above former valuation. This, however, includes considerable quantities of aerated water container stock and is not considered to be abnormal, having

regard to the fact that gross turnover for the year exceeded the 1948 figure by 50 per cent.

In respect of Deferred Liabilities and Provisions, there is a transfer from the Profit & Loss Account of four lakhs to Staff Retirement & Superannuation Account. This amount is required to place on a proper basis the Chinese Staff Superannuation Account and also to establish a Pensions Fund for the European Members of the staff. Both the Chinese Staff Superannuation Account and the European Provident Fund were established many years ago when values were entirely different from those pertaining at the present time. It was found that amounts accruing to employees due to retire after many years' service with the Company were totally inadequate to provide the necessary retirement benefits.

The amount of \$2,734,076 in the Profit & Loss Appropriation Account, representing profit for the period under review, which includes the balance brought forward from last year, was appropriated as follows:—Transfer to General Reserve \$1,000,000; a dividend of \$5 per share free of tax \$1,500,000; carry forward \$234,076.

At a following Extraordinary General meeting the following Resolution was passed, viz. that it is desirable to capitalise the sum of \$1,500,000 being part of the amount standing to the credit of the Company's General Reserve Account, and accordingly that a special capital bonus of \$1,500,000 be declared and that such bonus be applied on behalf of the persons who, on March 24 1950, were the holders of the 300,000 issued shares of the Company in payment in full for 150,000 unissued shares of the Company of \$10 each, and that such 150,000 shares credited as fully paid be accordingly allotted to such persons respectively in the proportion of one such share for every complete two of the said 300,000 shares then held by such persons respectively, and that the shares so allotted shall be treated for all purposes as an increase of the nominal amount of the capital of the Company held by each such shareholder, and not as income and that such shares shall rank for dividend from November 1, 1949.

HONGKONG FIRE INSURANCE CO. LTD.

The annual meeting of the Company was held here on March 29. The results of the insurance firm's operations during the year took an upward trend and premium income shows an increase over the previous year of \$656,415 or 18.82 per cent. This is the highest figure yet attained. A comparison between the ratios in the Underwriting Account for the year 1948 reveals an increase in losses from 44.66 per cent. to 59.07 per cent, and an increase in commission and expenses from 33.38 per cent. to 38.18 per cent.

The latter is almost entirely due to increased remuneration paid in respect of overseas business and under Treaty contracts, consequent on the expansion in business. Although only a small balance of underwriting profit of 2.75

per cent. has been made this year the amounted put to reserve for unexpired risks, which is calculated as a fixed percentage on premium income, has increased by \$290,349 and has made necessary a transfer from Profit and Loss Account of \$176,667.

The high incidence of losses does not indicate any deterioration in the quality of business but is a state of affairs which must inevitably occur from time to time and is, of course, fully covered by the reserve position.

Balance Sheet:—Reserves are in a healthy state, the only one calling for special mention being the Investment and Exchange Fluctuation Account. This has been reduced by \$623,350 compared with the previous year's figure and is the result of the depreciation in value of the Company's gilt-edged and local investments as at December 31, 1949.

The surplus is \$485,618. The payment of a dividend of \$11 per share, free of tax was declared and the balance of \$45,618 was carried forward. A bonus to members of the Staff of 15 per cent. of their basic salaries was granted.

Vexatious deposit legislation was introduced in the Philippines and this combined with the uncertain future prospects, made the Company decide not re-enter this territory. The situation in China continues to cause anxiety. In Japan the stage has not yet been reached where individual underwriting is either possible or advisable and the Company is still represented in that country by the British Insurance Group.

A modest proportion of the Company's premium income for the past year has been in respect of Loss of Profits Insurance, which has come to be regarded as a virtual necessity to the industrialist, particularly a public Company.

CHINA ENTERTAINMENT & LAND INVESTMENT CO. LTD.

The 16th annual meeting of the Company (operators of the King's Cinema, one of the leading houses in the Colony) was held here on March 31 under the chairmanship of Sir Shouson Chow who addressed the shareholders. The profit for the year under review, after providing for depreciation, amounts to \$603,631 to which has to be added the sum of \$40,175 brought forward from last year, making a total of \$643,807.

Out of the profits available for distribution, the following appropriations were made:—

Provision for taxation in respect of 1950/51 assessment of \$39,838; dividend of 50 cents per share on the paid-up capital less tax, totalling \$89,872; a bonus of \$1.50 per share on the ordinary shares less tax amounting to \$269,590 and in accordance with Article 106 of Articles of Association Bonuses to Founders less tax, Directors and staff of \$45,339, \$25,188 and \$50,377, respectively; and the placing of \$30,000 to General Reserve and \$45,000 for provision for repairs and renewals of Plant, leaving a balance of \$48,559 to be carried to the next account.

Rental receipts from shops and offices are satisfactory. There was continued substantial improvement in every direction by the management during the past year. A number of contracts were signed with the leading distributors, such as RKO, United Artists, Including Charlie Chaplin, Selznick's, Universal International, London Films and local booking from Chinese films.

The Company ordered the latest R. C. A. Projector and Sound System and a Chrysler Airtemp (air conditioning) plant.

HONGKONG & KOWLOON WHARF & GODOWN CO., LTD.

The annual meeting of the Company was held here on March 31 when shareholders were informed by the chairman of the board (Mr. D. F. Landale) about the business and progress of the Colony's largest warehousing firm. In his speech, the Chairman said: The congestion in godown space became slightly easier early in 1949 owing to freer movement into China, but again became serious when cargoes destined for Shanghai were diverted to this port in May, and has become steadily more acute ever since. An additional 2,000 tons of storage space was constructed during the year and a further 11,000 tons of leased space acquired, making a total of nearly 50,000 tons of new construction and 31,000 tons of space leased since 1947. Another godown of 7,000 tons capacity will shortly be completed on our Laichikok property. Despite this extra provision, however, we were reluctantly compelled in July last to inform all Shipping Conferences and Agents that we were no longer able to accept unrestricted consignments of various commodities of which no movement could be expected. We considered it essential that facilities for the actual Hongkong trade should be maintained, and while giving every possible consideration to the entrepot trade, the latter could not be permitted to occupy all storage and transit space to the ultimate complete immobilisation of the local trade. Some relief of the situation occurred when Shanghai cargo was on forwarded in October, but this was merely temporary and we have recently had to place other items on the restricted list.

During the year operating costs, particularly labour and wages, again increased, and by reason of the acute congestion in Godowns we had to bear considerable extra labour charges which could not be passed on to any particular cargo. In pursuance of our policy, of keeping cargo handling rates in the Port as low as possible commensurate with efficiency, however, no increase has been made in our tariff charges, which remain at the level introduced at the end of 1946. The situation created by the abnormal glut of cargo in the Colony's Godowns and the heavy demands for harbour craft has been exploited by some operators in the port.

A total of 879 vessels which discharged 873,490 tons of cargo was handled during the year, as com-

pared with 754 vessels discharging 655,415 tons in 1948. The policy introduced in 1948 of waiving overside delivery charges has resulted in a certain loss of revenue on some of the cargo, but is nevertheless considered to be in the interest of the Port and Importers generally.

Our launch and lighter fleet has been fully employed throughout the year, and we have on many occasions had to hire outside craft to cope with the work. During the year, six lighters of various capacities have been added to the fleet, and a further three 250-ton steel lighters have recently been ordered and are now under construction. When these are completed the strength of the fleet will be 75 cargo lighters and two chartered lighters, with a total capacity of about 9,000 tons. This is still far below our pre-war strength of 120 craft, and as it is now nearly five years since the lighters we recovered after the Japanese surrender were reconditioned an extensive replacement and building programme will be called for over the next few years.

Our general rehabilitation programme has proceeded satisfactorily. Further delays in arrival of material have delayed construction of the new No. 4 Wharf. This, however, is now practically completed and we hope to have the wharf in operation very shortly. Piling and levelling of the main wharf praya, extending from No. 4 Wharf of the Navy Street gate is also well in hand, and similar work is now in progress on the Praya of our timber yard at Yaumati, and to our pier and seafront at Laichikok.

Plans for the construction of a new godown of similar type to our existing six storey buildings have been delayed by the necessity for erection of less permanent buildings to take care of the cargo congestion, but these plans are now well advanced.

As far as our wharves are concerned, we have been able to do little beyond upkeep maintenance repairs pending the completion of No. 4, as it is obviously impossible to put another wharf out of commission until this new wharf is available. The necessity for modernisation of our No. 1 Wharf, has not been overlooked and our general plans for improvement will be implemented when the situation permits.

Further additions to our mechanical handling equipment have been made during the year, including the provision of a Mobile Electric Stacker, which has proved a very useful item of equipment.

The new block of Staff Quarters to replace the old buildings in Haiphong Road, has now been completed and occupied. Construction on our Ashley Road lot of a second block on similar modern lines to house about 400 people is well under way, and a further block of six flats for our European Staff has also been erected. With the completion of our Ashley Road block practically the whole of our Staff will be satisfactorily accommodated.

Turning to the Accounts the Balance of Working Account, compared with 1948, is up by \$398,000, but this is not commensurate with the increased tonnage landed, and this illustrates the increase in our operating costs due to the emergency measures which we have instituted in order to meet the abnormal storage situation now obtaining. I trust our clientele will appreciate that their present troubles are not windfalls to this Company, but as the major partner in the Port of Hongkong we realise our responsibilities and are doing our utmost to assist them in every possible manner.

Compared with 1948, the nett profit for the year is up by \$259,000, being \$2,767,900. The total available for distribution is \$3,340,000 and the following appropriations were made:

A dividend of \$12 per share, less tax, which is the same as the previous year \$1,944,000; General Reserve Transfer \$750,000; provision for taxation \$200,000; leaving a balance to be carried forward of \$446,921.

The total Capital Expenditure during the year was just over \$3,684,000, the major items being: No. 4 Wharf \$1,974,000; Haiphong Road Houses \$697,000; new lighters \$389,000. Considering this expenditure the cash position at \$2,623,000 is very satisfactory.

Including the transfer of \$750,000, the General Reserve stands at \$4½ million.

HONGKONG TRAMWAYS LTD.

The annual meeting of the Company was held here on March 31. From an operational standpoint, the year has been an extremely satisfactory one. 21,000,000 more passengers than last year were carried owing to the improved service. The greater number of passengers carried has increased the overall traffic revenue by 22 per cent. Operating costs have risen by 25 per cent. However, operating costs expressed as a percentage to receipts is 53 per cent, which is 1 per cent more than in the previous year.

The growth in the popularity of monthly ticket continues and during 1949, 104,863 were sold as against 79,425 for the year before. On August 11 reduced fares for scholars were introduced and students benefited to the extent of 600,000 journeys made at half-fare in the remaining four months of last year.

The period of rehabilitation of the Tramway system since the Japanese occupation is now virtually complete and the Company is now in a more advantageous position than it was before the war. During the rehabilitation phase all energies had, of necessity, to be devoted towards restoring the pre-war service. This having been done, the Company is now able to embark on major development schemes.

The most serious difficulty encountered during 1949 was the shortage of spares to maintain the improved service. The Company had the greatest difficulty in obtaining urgently needed equipment from the United Kingdom

and it was finally necessary to send the General Manager to England to remedy this state of affairs. His visit was successful and the spares situation is now greatly improved.

During the year eight new trams were brought into service, bringing the number of trams in the Company's fleet up to a total of 120. Four additional trams are now under construction in the Company's workshops and these will be in service this year.

Very substantial progress has been made in the fitting of air brakes and modern traction motors to the Company's fleet and, if delivery promises are kept, the whole fleet will be so fitted by end of 1950.

Until recently shortages of supplies of rail have greatly hampered the Company's track maintenance programme. Towards the end of last year, however, with the assistance of the Hongkong Government, supplies of rail became available and, as a result, the Company has been able to commence long deferred relaying programmes.

During the year a new type of tramcar body was brought into service which experience has since shown to be an improvement on the earlier types. This car is fitted with driver controlled air-operated doors which prevent passengers boarding and alighting while the car is in motion. It also incorporates additional safety devices such as lower steps, wider entrances, step lights and is generally of a more modern design. In view of the success of this prototype and the age and poor condition of some of the older bodies, the Company has embarked upon a programme of tramcar body replacement which aims at bringing 100 new bodies into service during the next five years or so.

Concurrently with the body replacement programme, additional new trams will be brought into service as soon as Depot capacity permits to bring the fleet up to a total of 150 cars.

The Company at present operates two Depots—one at Russell Street housing the offices, workshops and about 90 cars and another at King's Road housing about 30 cars. The division of effort between these two Depots results in considerable expenses to the Company in the way of much unnecessary dead mileage and extra travelling time for the traffic staff. Problems of supervision and of the transport to and for of spares are additional disadvantages. Therefore the whole of the Company's premises at Russell Street will be rebuilt, making provision for housing a fleet of 150 trams there in addition to the necessary offices and workshops. This work must of necessity be done in stages so as to avoid interfering with normal services.

Provision has been made for building of about 78 flats for Chinese members of supervisory and clerical staff. The preliminary rough estimate of the cost of the first stage of this development scheme is \$1,400,000.

This Company's expenditure during the next five years will be greatly increased not only because of the tramcar body replacement programme and the rebuilding of the Russell Street Depot but also because more plentiful supplies of rail now make possible the carrying out of track maintenance work which has had to be deferred during and since the War.

The heavy additional expenditure contemplated during the next five or six years on Depot rebuilding, new car bodies and the speeding up of track renewals must be considered against the background of the fact that the Company's development has been greatly restricted during the last ten years and there is much leeway to make up. The travelling public are entitled to expect progressive modernisation and improvement on transport facilities and the plans outlined will increase the cars ultimately in service by 33-1/3 per cent. Another factor which makes modernisation necessary is that, with rising labour costs, improved efficiency in the utilisation of manpower becomes of ever increasing financial importance.

Since December, 1949, the Company has been in negotiation with Government for a site on which to erect its own Welfare Centre. If permission is granted for the site, it is proposed to erect a building where improved medical, educational, recreational and general welfare facilities may be afforded to employees. The capital cost of such a project will probably be about \$500,000.

It is the intention to finance these capital projects, at least in the initial stages, out of accrued and accruing resources. The financing in the later stages will be entirely dependent on circumstances ruling at the time.

The amount disposable after adding the sum of \$75,762 brought forward from 1948 is \$4,147,296. An Interim Dividend of 60 cents per share less tax was paid in September last which accounted for \$1,053,000. The balance was dealt with as follows:

Appropriation of \$700,000 to General Reserve; further appropriation of \$100,000 to Development & Obsolescence, further appropriation of \$100,000 to Special Contingencies Account to cover the Company's future liability in respect of employees' retirement gratuities, etc; and a final dividend of \$1.20 per share less tax which requires \$2,106,000. A balance of \$88,296 to be carried forward.

In the Company's Balance Sheet, the most noticeable changes are a rise of \$657,945 in fixed assets and a rise of \$658,070 in investments. The increase in fixed assets is mainly represented by new permanent way, new cars and electrical equipment; while the increase in Investments is due to investing cash in excess of immediate requirements.

ECONOMIC NEWS FROM THE UNITED STATES

By E. Kann (Los Angeles)
(Special to *Far Eastern Economic Review*)

General Motors

The phenomenal success attained by G.M. in 1949 becomes authentically apparent from the annual report for 1949 issued by that giant concern. Both output and profit records were established in that year. Net earnings aggregated \$656,434,000, the highest ever obtained by the firm in any one year. This result represents a 49% increase over the \$440,447,000 (or \$9.72 a common share) earned in 1948; actually the net result for 1949 shows that \$14.64 was earned in that year per common share. The management opines that the potential market for new cars has been permanently expanded; in fact, there still exists a backlog for deferred demand.

G.M. assets of \$2,800,000,000 make it the largest manufacturing corporation, though it is topped by several banks and insurance companies, and the giant American Telephone and Telegraph Co., with \$10,700,000,000 assets. But this is comparing apples and eggs, writes Sam Dawson. The A.T. & T. needs a much larger plant to function than G.M. wants to convert raw materials and parts into cars.

The huge profits reaped by G.M., which has 43,915,000 common shares of no par outstanding, represents 23.2% return on its assets. The profit obtained by the A. T. & T. Co., namely \$232,800,000, represents a return of only 2.2%.

Other Industrial Giants

When talking about G.M. one has to consider the closely allied firm of Du Pont de Nemours, already because the latter holds 10 million shares of G.M., being about 22% of the total stock issued by G.M. Du Pont's earnings for 1949 aggregated about \$213,500,000 on a turnover of a little above one billion dollars; this means 20.8 cent on the sales

The Company have accepted the Dairy Farm Arbitration award and are prepared to put this into forces at once retrospective to the same date as the Dairy Farm, i.e., January 1.

Accounts.—The greater passenger load carried during the year is reflected in the increased balance on Working carried down to the credit side of Profit & Loss Account. This balance is \$5,255,779, which is \$859,738 more than for 1948. This increase in Working Profit, however, has been partially offset by increased charges in respect of Depreciation and Corporation Profits Tax. Depreciation is up by \$107,141. Corporation Profits Tax is up by \$290,029 and the reason for this is that due provision has been made for a possible increase in the standard rate of tax and for the increase in the profits for 1949 as compared with the previous year.

The net profit for the year is \$4,071,534. The net result, therefore is \$371,376 more than in 1948.

dollar. However, in its results for last year Du Pont got about 80 million dollars from G.M. stock it owns. So, leaving these sums aside, profits from the Du Pont's own business transactions were \$133,750,000 last year or 10½ cents on the sales dollar. At the end of 1949 Du Pont's assets were \$1,750,000,000. Inclusive of G.M. dividends the return comes to 12.2% of assets, and without the large dividend, it is reduced to 7.6%.

Other billion dollar giant manufacturing concerns are U.S. Steel Corporation, Bethlehem Steel Co. and General Electric Co. U.S. Steel reports sales in 1949 of 2,300,000,000 and assets of \$2,500,000,000. Profits of about \$166,000,000 work out at 7.2 cents on the sales dollar, and 6.5% on assets. Bethlehem had assets at the close of 1949 of \$1,100,000,000, while its sales during the year approximated \$1,300,000,000. Its \$99,000,000 profit meant 7.3 cents on the sales dollar, and 8.6% on the company's assets. The sales during 1949 of General Electric amounts to \$1,600,000,000, leaving a net profit of \$125,500,000, or 7.8 cents on the dollar, and 10.7% of its 1,100,000,000 assets. Unquestionably these concerns are growing larger from year to year - and so is the nation.

The first paragraph about G.M. might usefully be supplemented here. G.M. sales last year rose to \$5,700,000,000. It might be added here that G.M., on the average, made almost identical profits of 11½ cents in the dollar before the war, but in 1949 totals were higher because the turnover was increased. Fixed production costs are mounting from year to year. And when demand will slacken and slide, profits may tumble at a faster pace.

The Auto Industry

Once we are investigating big business, it is only logical to review the status of the motor car and truck industry. It was in 1895 when that line was just emerging. Records prove that the grand total of four passenger cars were registered at the end of that year. But when the industry commenced to emerge from infancy into youth the process was marked by uninterrupted growth from year to year. This phase terminated in 1929, when passenger car registrations numbered 23,060,000, or one car for every 5.3 persons.

Due to the general slump in 1929 car ownership went along at a much slower rate. Progress was interrupted on three occasions: firstly, when the depression set in in the early 1930s; second in 1938, and third during the World War II, when car production was virtually eliminated. Thereafter production grew again. Preliminary figures for registration of passenger cars at the close of 1949 show 35,491,000 cars, which means one car for every 4.2 persons. This figure does not include some 145,000 publicly owned vehicles which are tax-exempt.

Production of cars in 1949 established a new high record. If registered vehicles did not increase in the same measure, this is due to the fact that many old cars were scrapped.

The Aviation Industry in U.S.A.

Based upon an expected higher business volume and increased profits aircraft shares have well maintained their equilibrium recently. In 1950 both the plane manufacturers, as well as carriers, can expect a distinctly good year, since their combined revenues for the current year are reliably expected to reach about 2,600,000,000 dollars; this would mean about \$200,000,000 above the 1949 net income. The current backlog of the leading plane manufacturers is \$2,413,778,000; on this basis it is estimated that manufacturing income will rise to \$1,900,000,000. There is no doubt that more heavy bombers will be turned out this year. Profiting by the enhanced production manufacturers of aircraft engines will enjoy their most productive post-war year; it is thought that the total horsepower of the 1950 engines will approximate 75,000,000.

A survey undertaken reveals that revenue for airlines will reach about \$780,000,000 in 1950. As a significant development it was shown that in the course of 1949 aircraft manufacturing rose from a national ranking of 44th in size amongst U.S. industries in 1948, to between 15th and 20th. Value of production in 1949 was up from the preceding year to the extent of \$250,000,000, namely reaching \$1,700,000,000.

Compared with the end of the war U.S. airlines can now carry seven times as many passengers than at the close of the war in 1945 with less than three times as many airplanes. Capacity has been increased not merely by more and larger planes, but also by speed of the newer machines. At the close of 1949 American airlines were operating 1,075 planes, provided with 39,000 seats, as compared with 475 planes and 10,300 seats in 1945.

U.S. airlines still continue to lead in the number of miles flown every week, carrying 51% of the world's total mileage, according to a Civil Aeronautics Board survey.

Television versus Films

Although television still is in its infancy, apprehension as to the harm the new entertainment might inflict upon the movie industry is latent. To a large extent the general qualitative level of new films has not been satisfactory here during the past few years, causing a heavy falling-off in the number of people patronizing the movie theatres. The most popular pictures nowadays are Wild West films; but not merely in America, but also in Europe. The installation of T.V. sets causes numerous people to stay at home, thus circumventing theatres. Executives

of film producers have for a long time been closely watching the problems with serious misgivings.

As a possible solution of those worries film producers were quite recently offered a "living-room box office" idea, styled Phonevision. The offer emanated from Commander E.F. McDonald, President of the Zenith Radio Co. of Chicago. He plainly said that people owning television sets prefer to stay at home. As a consequence box office receipts at the movie houses are falling off considerably, especially in the big cities. This remark he supplemented with the assertion that this tendency signified merely a beginning. In 1949, he said, 3,800,000 T.V. sets were sold; in 1950 he estimated that 5,000,000 would be in demand. In order to meet this threat to theatres McDonald suggested "to move the box office into the living room".

Phonevision is a small machine developed at the Zenith laboratories which unscrambles and ungarbles reception. It works in conjunction with the set owner's telephone. When the set owner in his home wishes to see a good Hollywood picture by telecast, he picks up his telephone and asks the operator for Phonevision. An impulse is sent over the telephone wires to the unscrambling gadget; immediately the screen will clear, says the Los Angeles Times. The set owner will be billed \$1 by the Telephone Co. Commander McDonald sees the Phonevision as a 1 billion dollar source of entertainment a year. The \$1 paid would be split into three: one-quarter to the Telephone Co.; one-quarter to the television station; and one-half to the motion picture industry which supplies the pictures. The Zenith Co. believes that 90% of the T.V. entertainment will then consist of films. McDonald has already experimented for three years in Chicago with phonevision. This autumn he plans a 90-days experiment in the Chicago area, after getting permission from the authorities. The industrialist is of opinion that not only movies would be scrambled, but equally major football games and other sporting events. The watcher would pay an admission, just as if he went to a game. It gives colleges and sports arenas a new source of revenue and television the greatest field it ever had.

Producer Cecil B. De Mille warned leaders of the motion-picture industry that the misfortune which befell legitimate theatres and vaudeville when the movies arrived, might easily now happen to the movies. "We must join hands with this new medium in some way if we are to survive. May be this is the way," De Mille remarked.

Vast Potential of Canadian Oil

Discovery of oil near Edmonton scarcely three years ago started one of the greatest rushes for "black gold". Since February 1947 five major pools and a like number of lesser ones have been uncovered. The production area is said to be as large as the State of Texas. Canada already is well advanced on the road of self-sufficiency in oil and natural gas. Her requirements

Hongkong's Imports & Exports in 1949 of Iron & Steel Plates & Sheets, Newsprint, Rubber Tyres, Mineral Oils, Groundnuts

IRON & STEEL PLATES & SHEETS

Hongkong's imports and exports of iron and steel plates and sheets during 1949 showed a total of 507,273 piculs valued at \$17,857,723; imports were 427,927 piculs at \$14,427,999 and exports came to 79,346 piculs at \$3,429,724.

The excess of imports over exports at the end of 1949 came to 348,581 piculs valued at \$10,998,275, and in this connection it is necessary to point out that re-exports of iron and steel plates and sheets are restricted to 40% of the imports; but as the People's Govt. have at all times been sorely in need of such plates and sheets and have combed the local market for them, the quantity shown (18.5% of the imports) as re-exported under licence could not have met these requirements; it is clear that smuggling has been resorted to in order to get the material into China.

are 320,000 barrels daily. The vast potential of the area is indicated by the fact that underground reserves of oil have been boosted from 35,000,000 barrels in 1946 to 1,200,000,000 barrels currently. These reserves may reach the 2,000,000,000 barrel level in 1950, and responsible oil authorities say they may reach somewhere between 4 and 5 billion barrels. Additionally, natural gas reserves are conservatively estimated at 7,000,000,000 cubic feet with prospects of rising in the future to 50,000,000,000 cubic feet. The largest operator in Alberta is the Imperial Oil Co., controlled by the Standard Oil Co. of New Jersey, while the second largest is the Standard Oil Co. of California. Another big participant is the Bear Oil Co.

Items of General Interest

In previous reports from here the remarkable prosperity enjoyed by the U.S.A. auto industry was often stressed. However, it is not generally realized that, during the year 1949, the net profit of this country's motor car industry exceeded one billion dollars. General Motors alone made a profit of about \$660 million. Chrysler showed a net income for 1949 of \$132 million, a record earning. Ford Motors, being privately owned, does not publish balance sheets publicly; however, it can be assumed that its net income last year must have equalled that of Chrysler. Studebaker in 1949 cleared \$27½ million dollars. Other companies are soon likely to publish their last year's results.

A halt may be forced upon the giant concern of General Motors, for its contract with the Union will expire very shortly. It is almost certain that a highly spiced dish of wage increases, plus other concessions re pensions, etc., will then be presented through the leader Walter P. Reuther.

Business with Philco Radio is exceptionally bright. Since January this year the company has received orders

Up to 76.2% of the importations came from the USA or 326,186 piculs (\$10,680 million), the United Kingdom and Belgium coming a long way after with 53,585 piculs (\$1.79 m.) and 10,623 piculs (\$714,316) respectively.

North China took 72% of exports, or 57,235 piculs (\$2.4 m.), and Central and South China and Macao 21.3% with 2,938 piculs (\$128,741), 9,834 piculs (\$416,081) and 4,104 piculs (\$187,140) respectively.

The following tables give detailed figures as to imports and exports, together with monthly quantities and values:

Iron & Steel Plates and Sheets Imports

	Piculs	\$
U. S. A.	326,186	10,680,124
United Kingdom	53,585	1,792,881
Belgium	10,623	714,316
Other Countries	37,533	1,240,578
Total	427,927	14,427,999

for television sets, radios, refrigerators and air conditioners exceeding \$80 million, a record sum.

A State Senate Committee unfeelingly, but rationally, decided that convicts can get along without Sunday suits, writes the Los Angeles Times. True, a change from workaday habiliments might improve a felon's opinion of himself, but then, it would be case of all dressed up and no place to go.

The development of terrible new weapons by American scientists for war purposes is imminent, according to a statement made by Defence Secretary Johnson, innovations which are likely to make all present arms obsolete. Speaking at a banquet of the Irish Fellowship Club at Chicago on St. Patrick's day the Defence Secretary informed his listeners that, in addition to President Truman's order to proceed with production of the hydrogen bomb, this country is equally alert as to possibilities in the chemical and biological fields. Brand new devices with unprecedented possibilities are being created; these will challenge the existence of all known weapons. The latest tanks, airplanes, submarines and guns may become obsolete by the inauguration of more efficient substitutes on the following morn, asserted Mr. Johnson.

Borg-Warner forecasts that by 1951 all passenger cars will carry automatic transmission as standard equipment. If this proves correct, Borg-Warner, as the only independent automobile equipment concern producing such units, ought to reap handsome profits. After two years of development and experimenting by the said firm two models are now a production line reality, and deliveries will start within a few months. In the course of this year the company projects to expand the output to 1,500 transmissions daily. The larger portion thereof will go to Fords, while the smaller balance will be taken by Studebaker.

		Exports		Exports		Exports	
		Piculs	\$	Piculs	\$	Piculs	\$
North China	57,235	2,425,157		North China	426,467	8,262,824	
Central China	2,938	128,741		South Korea	330,951	6,010,111	
South China	9,834	416,081		South China	117,438	2,152,151	
Macao	4,104	187,149		Central China	51,234	913,187	
Other Countries	5,235	272,605		Macao	31,232	592,610	
Total	79,346	3,429,724		North Korea	21,033	460,806	
Monthly Imports	Piculs	\$		Burma	2,524	52,860	
Jan.	11,033	572,778		Thailand	1,344	31,620	
Feb.	22,213	583,433		North Borneo	156	3,248	
March	31,743	1,113,313		Australia	10	180	
April	59,842	1,799,585		Br. Emp. other	5	90	
May	14,147	478,602		U. S. A.	1	45	
June	10,285	496,675		Other countries	7	225	
July	19,582	535,444		Total	982,402	18,479,957	
Aug.	43,986	1,325,704		Monthly Imports	Piculs	\$	
Sept.	29,728	928,479		Jan.	23,850	511,729	
Oct.	68,993	2,318,050		Feb.	23,950	518,600	
Nov.	63,440	2,290,288		March	51,886	972,818	
Dec.	52,935	1,985,648		April	26,445	485,637	
Total	427,927	14,427,999		May	94,681	2,020,393	
	79,346	3,429,724		June	117,166	3,807,322	
				July	103,010	1,594,291	
				Aug.	130,992	1,946,516	
				Sept.	104,961	1,870,010	
				Oct.	97,445	1,728,144	
				Nov.	74,094	1,187,043	
				Dec.	140,166	2,170,688	
				Total	988,646	18,817,192	
					982,402	18,479,957	

NEWSPRINT

Newsprint is an important item in Hongkong's import-export trade although the blockade by the Kuomintang of ports under the Communist Govt. as well as restrictions imposed by that government upon importations of paper into China, have severely handicapped Hongkong merchants and helped to congest further the already overcrowded warehouses by limiting shipments.

During 1949 Hongkong's total trade in newsprint amounted to 1,971,048 reams valued at \$37,297,149. Imports and exports practically balanced each other, amounting respectively to 988,646 reams valued at \$18.82 million and 982,402 reams at \$18.48 million.

The year was a difficult one, not only where the political situation was concerned but also in regard to prices: manufacturers' indent quotations for newsprint in rolls first fell from £45 to £38 per ton, and then later rose to £48 per ton; while the selling price on the local market dropped as low as 28 cents per lb. in July, and rose to 50 cents per lb. during September/October.

Norway supplied 46% of the newsprint imported into Hongkong, providing 455,310 reams (\$7.83 million); Canada came next with 202,164 reams (\$3.3), and Sweden third with 150,209 reams (\$4.37 m.).

Exports went chiefly to North China, which took 43% or 426,467 reams (\$8.26 m.), South Korea 330,951 reams (\$6 m.) and South China 117,438 reams (\$2.15 m.).

Below are given details of the trade in newsprint for 1949 by countries, as well as monthly imports and exports:

Newsprint

		Imports	
		Piculs	\$
Norway	455,310	7,828,820	
Canada	202,164	3,306,388	
Sweden	150,209	4,375,781	
Austria	85,030	1,431,941	
Finland	38,290	678,767	
Holland	22,623	487,574	
France	21,776	308,660	
Denmark	3,921	78,218	
Germany	3,800	92,733	
U. S. A.	2,832	136,907	
South China	2,034	75,264	
Poland	416	8,320	
Macao	241	7,813	
Total	988,646	18,817,192	

		Exports		Exports		Exports	
		Piculs	\$	Piculs	\$	Piculs	\$
North China	426,467	8,262,824		North China	15,034	2,981,087	
South China	330,951	6,010,111		South Korea	11,395	1,522,555	
South China	117,438	2,152,151		Central China	9,817	1,163,496	
Macao	51,234	913,187		South Korea	8,263	1,105,071	
Other Countries	21,033	460,806		Macao	1,994	254,246	
Total	79,346	3,429,724		Burma	1,403	183,473	
Monthly Imports	Piculs	\$		Thailand	781	9,930	
Jan.	11,033	572,778		Philippines	759	175,312	
Feb.	22,213	583,433		Malaya	640	67,643	
March	31,743	1,113,313		Australia	522	120,712	
April	59,842	1,799,585		Ceylon	408	63,790	
May	14,147	478,602		Indonesia	352	76,440	
June	10,285	496,675		Japan	151	13,569	
July	19,582	535,444		Indochina	75	18,597	
Aug.	43,986	1,325,704		North Borneo	10	610	
Sept.	29,728	928,479		Total	70,137	10,823,683	
Oct.	68,993	2,318,050		Monthly Imports	Piculs	\$	
Nov.	63,440	2,290,288		Jan.	5,392	658,385	
Dec.	52,935	1,985,648		Feb.	4,325	413,816	
Total	427,927	14,427,999		March	5,689	623,768	
	79,346	3,429,724		April	10,408	1,585,644	
				May	11,537	1,693,658	
				June	4,128	536,633	
				July	2,441	318,625	
				Aug.	3,608	445,275	
				Sept.	5,188	409,145	
				Oct.	3,767	334,341	
				Nov.	13,198	1,260,888	
				Dec.	2,976	265,029	
				Total	72,657	8,545,207	
					70,137	10,823,683	

RUBBER TYRES (MOTOR)

The total quantity of Hongkong's trade in motor rubber tyres during 1949 (excluding inner tubes) was 142,794 pieces valued at \$19,368,890. Imports amounted to 72,657 pieces at \$8.54 million and exports to 70,137 pieces at \$10.8 m.

Of the imports, 26,516 pieces valued at \$2.88 million or 36.5% came from the United Kingdom, but keen competition was met with from Japan, that country sending to Hongkong 21,365 pieces at \$2.1 m. or 29.4% of the total imports. The imports of 8,701 pieces valued at \$910,900 from South China, represented rubber tyres sent south from Shanghai and elsewhere in China and thence to the Colony during the advance of the communist armies, the bulk being despatched to Hongkong in November.

The greater part of the exports, or 64.7%, went to China including Macao which totalled together 45,369 pieces valued at \$7.46 m.; Korea came second with 19,667 pcs. at \$2.64 m.

Below are given tables showing imports of motor rubber tyres by countries as well as by months for 1949:

		Imports		Imports		Exports	
		Piculs	\$	Piculs	\$	Tons	\$
United Kingdom	26,516	2,881,938		United Kingdom	2,881,938	31,001,844	
Japan	21,365	2,101,566		Japan	11,395	1,522,555	
South China	8,701	910,900		South China	11,393	2,981,087	
Italy	5,750	1,111,795		South Korea	8,263	1,105,071	
U. S. A.	3,853	570,003		Central China	9,817	1,163,496	
Canada	2,420	542,746		Central China	8,584	207,039	
France	1,517	224,175		Taiwan	1,769	490,007	
Malaya	1,186	119,842		North Korea	500	112,656	
India	800	32,532		Total	74,662	17,198,371	
Macao	227	18,430		Monthly Imports	Tons	\$	
North China	150	17,100		Jan.	56,180	4,964,641	
Other Countries	172	14,180		Feb.	47,703	5,541,298	
Total	72,657	8,545,207		March	26,305	2,286,298	
				April	16,141	1,456,028	
				May	24,646	1,099,021	
				June	19,639	1,306,041	
				July	1,970	168,434	
				Aug.	1,459	181,025	
				Sept.	94,272	7,060,338	
				Oct.	122,079	11,726,022	
				Nov.	61,351	7,607,301	
				Dec.	64,845	7,456,196	
				Total	536,870	51,753,153	
					74,662	17,198,351	

GAS OIL AND FUEL OIL

Importations of gas oil and fuel oil into Hongkong are mainly for consumption locally, as is shown by last year's trade figures which amounted in all to 611,532 tons valued at \$68,951,524; of this quantity imports amounted to 536,870 tons at \$51,753,153, whereas exports were only about 14% of the imports or 74,662 tons at \$17,198,371.

Most of the imports, 316,297 tons (\$31 million) or 58.9%, came from countries in the British Commonwealth, Indonesia following with 118,058 tons (\$10.8 m.).

Of the exports, 45.3% or 33,887 tons (\$8.67 million) went to North China, South China coming next with 17,939 tons (\$3.4 m.), or 29,922 tons at \$5.85 m. with the inclusion of Macao.

The tables below give details of imports and exports of gas oil and fuel oil, with monthly figures:

Gas Oil and Fuel Oil

		Imports		Exports	
		Piculs	\$	Tons	\$
Br. Emp. other	316,297	31,001,844			
Indonesia	118,058	10,811,182			
Malaya	9,817	1,034,496			
Iran	4,526	779,042			
Central China	15	4,000			
Other Countries	88,157	8,122,589			
Total	536,870	51,753,153			
		Exports		Exports	
		Tons	\$	Tons	\$
North China	33,887	8,665,627			
South China	17,939	3,421,271			
Macao	11,983	2,438,394			
Central China	8,584	2,070,396			
Taiwan	1,769	490,007			
North Korea	500	112,656			
Total	74,662	17,198,371			
		Exports		Exports	
		Tons	\$	Tons	\$
Jan.	56,180	4,964,641			
Feb.	47,703	5,541,298			
March	26,305	2,286,298			
April	16,141	1,456,028			
May	24,646	1,099,021			
June	19,639	1,306,041			
July	1,970	168,434			
Aug.	1,459	181,025			
Sept.	94,272	7,060,338			
Oct.	122,079	11,726,022			
Nov.	61,351	7,607,301			
Dec.	64,845	7,456,196			
Total	536,870	51,753,153			

MOTOR SPIRIT, GASOLINE & OTHER LIGHT OILS

Hongkong's trade in motor spirit, gasoline and other light oils for similar uses amounted to 62,202,532 imp. gallons valued at \$66,299,874 in 1949. The growth in the Colony's transportation facilities is indicated in the fact that imports came to 45,132,232 imp. gallons to the value of \$43,369,798 whereas only 37.8% of the imports or 17,070,300 gallons at \$22.93 m. was exported.

The chief supplier of motor spirit and gasoline was the USA, which sent to the Colony 10,092,049 gallons. (\$12.28 million) or 22.3% of the total; Indonesia came second with 9,632,652 gallons. (\$9.79 m.) or 21.3%.

Exports from Hongkong went chiefly to South China, 8,452,791 gallons. (\$11.1 m.) or 49.5% of the total, if Macao is included (1,822,350 gallons at \$2.54 m.) South China's proportion would be 60.2% or 10,275,141 gallons. at \$13.64 m. North China took 4,035,053 gallons. (\$5.57 m.).

Details are given below of imports and exports by countries as well as monthly figures:

Motor Spirit, Gasoline, etc.

	Imports	Exports
U. S. A.	10,092,049	12,280,381
Indonesia	9,632,652	9,796,499
Br. Emp. other	5,985,593	3,836,636
Malaya	3,536,313	3,667,132
Iran	3,367,815	4,153,095
Central China	84,224	111,130
Philippines	44,167	75,693
United Kingdom	286	1,569
North China	132	227
Other Countries	12,388,960	9,447,416
Total	45,132,232	43,369,798

The bulk of the supplies of lamp oil and white spirit, or 24.5%, were from Indonesia with 4,018,177 imp. gallons. (\$2.31 m.).

South China (3,465,569 gallons. at \$4.29 m.) and Macao (3,144,947 gallons. at \$6.34 m.) took between them 6,610,516 gallons. at \$10,633,214 or 63% of the exports.

Lamp oil and White Spirit

	Imports	Exports
Indonesia	4,018,177	2,724,330
Br. Emp. other	2,433,966	2,311,012
Malaya	1,452,456	1,968,611
North China	1,141,533	890,771
Iran	1,103,466	721,829
U. S. A.	254,688	125,495
Central China	105,344	89,315
Other Countries	5,833,159	3,117,221
Total	16,342,789	11,948,584

	Exports
Macao	105,658
Canada	23,665
U. S. A.	3,192
New Zealand	641
Central China	554
Malaya	333
South China	74
Philippines	33
Central America	11
Holland	5
Br. Emp. other	2
Australia	2
Other Countries	63

Total 134,233 10,118,847

	Monthly Imports	Monthly Exports
Jan.	1,367	103,482
Feb.	1,520	95,327
March	6,936	440,205
April	14,250	1,101,760
May	25,283	7,422
June	7,930	523,068
July	30,939	6,848
Sept.	19,051	1,403,117
Oct.	4,688	370,185
Nov.	18,125	1,344,143
Dec.	22,304	16,698

Total 171,273 12,774,825 184,233 10,118,847

Groundnuts, Not Shelled: Imports and exports of groundnuts, not shelled, came to a total of 88,206 piculs valued at \$6,300,429; imports were 47,939 piculs at \$3.54 million and exports 40,267 piculs at \$2.76 m.

North Korea (21,213 piculs at \$1.54 m.) and South Korea (21,026 piculs at \$1.57 m.) provided 88% of the imports with a total between them of 42,249 piculs valued at \$3,121,291.

Exports went mainly to Macao with 23,465 piculs (\$1.49 m.) or 58% of the total exported and to Japan 14,738 piculs (\$1.1 m.) or 36.6%.

The following tables give details of imports and exports of groundnuts, not shelled, together with monthly figures:

Groundnuts, not Shelled

	Imports
North Korea	21,213
South Korea	21,026
Thailand	3,874
North China	1,266
Central China	266
Macao	261
Indochina	33

Total 47,939 3,538,607

	Exports
Macao	23,465
Japan	14,738
Malaya	1,554
Philippines	342
Canada	93
U. S. A.	41
Central America	17
New Zealand	9
Australia	5
Holland	2
West Indies	1

Total 40,267 2,761,822

	Monthly Imports	Monthly Exports
Jan.	8	10,967
Feb.	79	6,260
March	21,636	7,422
April	21,149	1,585,611
May	1,556	130,420
June	251	16,396
July	286	20,610
Aug.	1,398	95,567
Sept.	627	47,515
Oct.	113	8,475
Nov.	108	9,228
Dec.	613	45,825

Total 47,939 3,538,607 40,267 2,761,822

Shelled Groundnuts

Shelled Groundnuts: Hongkong's total imports and exports of shelled groundnuts during 1949 came to 305,506 piculs valued at \$22,893,672. Imports amounted to 171,273 piculs at \$12.77 million, and exports to 134,233 piculs at \$10.12 m.

Imports came mainly from Thailand 92,061 piculs (\$6.82 million) or 53.7%, North China 44,567 piculs (\$3.45 m.) or 26%, and North Korea 26,356 piculs (\$1.88 m.) or 15% of the quantity imported.

Exports went chiefly to Macao 105,658 piculs (\$7.6 million) or 78.7%, Canada coming second with 23,665 piculs (\$2.15 m.).

Below are given details of imports and exports of shelled groundnuts:

	Imports	Exports
Thailand	92,061	6,816,803
North China	44,567	3,445,783
North Korea	26,356	1,885,805
Macao	6,377	494,339
India	834	56,714
Central China	791	56,939
Indonesia	185	9,250
South China	102	9,180

Total 171,273 12,774,825

Total 47,939 3,538,607

Total 40,267 2,761,822

LAMP OIL AND WHITE SPIRIT

During 1949, Hongkong's turnover in lamp oil and white spirit, (kerosene; illuminating oil), totalled 26,768,474 imp. gallons valued at \$28,258,007. Imports were 16,342,789 gallons. to the value of \$11.95 m. and exports came to 10,425,685 gallons. at \$16.31 m., or only 63.8% of the quantity imported although in value exports were \$4.46 m. above the imports.

COMMERCIAL MARKETS

Tung-Oil Exports of China

After the fall of Canton to the Communists in October 1949 the quantities of tung oil arriving in Hongkong decreased considerably. Local wholesale prices during those months were higher than United States buyers were prepared to pay, so only few shipments to U.S. were made. Some business, however, was concluded in Europe.

Inasmuch as the new Chinese regime placed bristles under control, it is expected that tung oil would follow suit once the problem of transportation is solved.

The resumption of traffic along the Canton-Hankow Railway connecting Shanghai and Canton have, so far, showed no favourable effect on supplies as the lines were reported to have been heavily booked with other essentials. It is possible, however, that as soon as freight space along this line is available for tung oil, supplies will increase considerably.

Canton authorities recently shipped larger lots of tung oil to Hongkong which they had obtained from Changsha in exchange for dyestuffs. This prospect of better supplies helped prevent prices from rising unduly.

Many transactions were closed at £216 per long ton (2,240 pounds) c. and f. European ports in drums in recent months. United States offers of US\$0.24 per pound c. and f. west coast in bulk were not acceptable to sellers who quoted US\$0.26. Small parcels were later forwarded at about £250 per long c.i.f. European ports. Quotations of US\$0.27 per pound c. and f. New York brought no response.

China's Coal Production

A National Coal Conference, called by the Ministry of Fuels Industries of the Communist regime of China in November, set the national coal production goal at 51,000,000 tons by 1952. Present plans are for the production of 36,600,000 tons in 1950, of which it was estimated China will need 23,540,000 tons.

Main attention will be paid in 1950 to northeastern China, where it is hoped that 29 old pits will be restored and 11 modern new pits developed so that in 3 years production may reach 24,000,000 tons, the level during the Manchukuo regime in 1944. In North China and East China, efforts will be directed mainly toward restoration of former peak-production levels.

Essential-Oils Exports From Shanghai to America

Declared exports of essential oils from Shanghai to the United States during the January-October period of 1949 consisted of 900 pounds of peppermint oil valued at US\$3,610, and 26,400 pounds of citronella oil, valued at \$23,732.

Musk exports from Shanghai to the United States in the 10 months totalled 24.5 pounds, valued at \$10,939.

N. China Barter System

The barter system in North China which has been in existence for a considerable time has now been abolished in principle by the North China Foreign Trade Bureau, and in future exchange must be surrendered against all exports.

There are, however, still a number of commodities which exporters will be allowed to deal in on a barter basis, these include knitted and embroidered goods, clothing, lace, matting, fire-crackers, incense, salted vegetables, mushrooms, melon seeds, various unspecified vegetables, etc. In about three months' time this list will be reviewed, but the authorities have announced that should a change of policy take place a month's notice will be given of any alteration.

Chinese Bristles Export Diversion

Exports of hog bristles from China to the United States have dropped sharply since Communist control of this industry on the Chinese mainland, while shipments of Chinese bristles from Russia to the U.S. show substantial increases. While there is apparently no embargo on exports of bristles from the Chinese mainland, substantial quantities of this important commodity are being sent to the U.S.S.R. for reexport to the U.S. and Europe. As a result of such action, China is losing an important source of U.S. dollar exchange. U.S. bristle imports from China averaged US-\$1,842,000 monthly during 1948, dropped to an average of \$1,126,430 during the last four months of 1949, and in the first month of 1950 declined by about 38 percent below the corresponding month in 1949. In comparison U.S. imports of Chinese bristles from the U.S.S.R. rose from an average of \$17,465 monthly during 1948 to an average of \$60,000 during the last four months of 1949. During the first six weeks of 1950, declared exports of bristles from the U.S.S.R. to the U.S. totaled about \$865,000, a monthly average of over a half million dollars, or a rise of 840 percent over the 1948 monthly rate.

Since World War I, China has produced 75 percent of the world's supply of hog bristles, and the commodity has been one of the country's principal exports and a source of considerable revenue. The U.S. has traditionally been the principal market for Chinese bristles, used widely in the manufacture of high quality brushes and for many other industrial purposes.

Imports of Radio Receivers into Thailand

Imports of radio receivers into Thailand, January-June 1949, totalled 5,843 sets valued at 2,503,576 baht. (1 baht equaled approximately \$0.10 United States currency prior to devaluation on September 26, 1949.) Imports from the United States amounted to 1,776 receivers (576,845 baht); imports from the Netherlands totalled 868 sets (430,950

baht); and imports from the United Kingdom were 2,129 receivers (1,215,284 baht).

An estimated 40,300 radio receivers are in use in Thailand, of which 95 percent are table models. The number of radio listeners is estimated at 2,013,000.

Vacuum Bottle Production in Shanghai

Of the 49 vacuum bottle factories in Shanghai, 41 were operating in November 1949, although only at one-third to one-half of capacity. These factories were facing raw material shortages as a result of the Nationalist blockade and also reduced markets because their products could not be shipped to South Seas areas where sales formerly were good.

Increase in Production of Cigarettes in Japan

Production of cigarettes in Japan in the first 9 months of 1949 increased sharply over the comparable 1948 period and reached a level about 20 percent above the first 9 months of 1934-38. Production of fine cut tobacco, used in Japanese-type pipes, however, fell 10 percent below 1948 and production of rough cut tobacco, used largely in rolling home-made cigarettes, fell 61 percent.

Data of the Supreme Commander for the Allied Powers show that output of cigarettes in Japan increased fairly steadily from about 32,000,000,000 units in 1930 to 61,000,000,000 in 1943. Production fell to 15,180,000,000 units in 1945. Then, following about 2 years of low production, output increased steadily and probably totalled over 50,000,000,000 units in 1949. (January-September 1949 output totalled 37,280,000,000 units and production in August and September 1949, average about 5,000,000 units.)

Production of fine cut tobacco fell from about 53,000,000 pounds in 1930 to 40,000,000 pounds in 1939. It then rose about 10 percent during the war, but dropped to 27,797,000 pounds in 1948. Production in 1949 was expected to fall about 10 percent below 1948.

	Fine cut tobacco	Rough cut tobacco	
	(millions of units)	(thousands of pounds)	(of pounds)
1934-38.	41,256	46,416	—
1939-43.	average ..	58,176	43,586
1944	45,084	39,566	520
1945	15,180	28,379	16,847
1946	15,348	31,738	33,721
1947	17,892	30,812	34,832
1948	29,064	27,787	20,603
Jan.-Sept.:			
1948	19,637	21,200	16,874
1949	37,280	19,018	6,497

Rough cut tobacco was first produced in 1944 and reached its maximum popularity in 1947 after several years of low cigarette output. From the maximum of about 35,000,000 pounds reached in 1947, production has fallen almost without interruption. During the first 9 months of 1949 only 6,497,000 pounds were produced.

The latest available estimate placed 1949 leaf tobacco production in Japan at about 176,000,000 pounds, 19 percent less than 1948, but 9 percent above the 1936-40 average. In 1949 about 124,000 acres were planted to tobacco in Japan compared with the prewar average of about 99,000 acres.

Japanese Sewing Machines

Production of all types of sewing machines in Japan from January to June 1949 totalled 132,437 units, compared with 181,154 in all of 1948 and 91,744 in 1947. Twelve firms account for 83 percent of total production; 6 each produce more than 3,000 units monthly. The goal for 1949 is 335,000 units.

Exports increased from 12,771 units in 1948 to 42,836 in the January-June period of 1949, during which the United States purchased 30,000 units. Other markets, in order of importance, were Southeast Asia, India, South America, the Near East and West Africa. Household sewing machine heads and pedal-system machines were the major items of export.

The removal of price controls in August and increased prices for iron and steel are expected to raise prices of sewing machines, particularly higher-grade machines, particularly higher-grade models. This rise, however, may be partly offset by more efficient methods of production.

Copra Production and Trade of Indonesia

A complex but operable system of inducement payments to producers and middlemen and the restoration of more nearly normal shipping conditions in the copra-producing areas of Indonesia resulted in a considerable improvement in the production and export of Indonesian copra during 1949. Recorded production rose from 352,000 metric tons in 1948 to 425,000 tons in 1949, and exports from 242,000 to 309,000 tons.

Sales of copra to domestic oil factories doubled, totalling 129,000 tons in 1949. Approximately 60 percent of the

exports went to the Netherlands and 26 percent to other European countries as deliveries against quotas established in bilateral trade agreements. The United States received 13,311 metric tons of Indonesian copra prior to restoration of a higher processing tax on coconut oil from non-Philippine copra.

Recorded production in 1950 is expected to equal that of 1949, but exports may drop to about 275,000 metric tons because of increased domestic consumption. New oil factories are ready to operate in Celebes, and the factories in Java probably will need more copra to meet the demand for oil in areas formerly isolated by military or political action.

Statistics of recorded production, which comprise purchases by the Copra Board, do not include copra from which oil is extracted by the native producer for local use or copra smuggled out of Indonesia to Malayan or Philippine ports. Copra smuggled from Sumatra but legally entered in Malayan and Singapore import statistics may have totalled 100,000 metric tons in 1949. The recorded export from Indonesia to Singapore was about 16,000 tons. Smuggling to the Philippines, estimated at about 25,000 to 30,000 tons, is smaller in volume because East Indonesia was politically controlled by the former Netherlands Indies Government shortly after the war and because partial payment in textiles and rice has been sufficient inducement to most producers to sell copra in the legal market. If under the new Government a more effective control can be exercised over producing areas in Sumatra, the recorded production may increase during 1950.

Rubber Estates Outputs

Outputs from the Rubber Companies for which Secretaries &/or General Manager are A. R. Burkill & Sons, Ltd:

	Output for Feb. 1950 lbs.	Total this Financial year to date lbs.
Bute	62,000	138,000 (2 mths)
Consolidated	97,100	225,200 (2 mths)
Dominion	56,200	130,800 (2 mths)
Kota Bahroe	52,900	579,000 (8 mths)
Sungei Duri	60,000	561,600 (8 mths)
Shanghai Pahang	16,500	403,600 (8 mths)
Padang	15,160	283,360 (10 mths)
Shanghai Kedah	78,009	533,973 (5 mths)
Tanah Merah ..	96,430	1,246,740 (11 mths)

Rubber Exports and Imports of Thailand

Rubber exports from Thailand in the last quarter of 1949 totalled approximately 22,348 metric tons, bringing the total for 1949 to 96,100 tons, or about 1,000 tons above the previous record set in 1948. The officially announced goal for 1949 was 100,000 tons. About 45 percent was shipped to the United States, 43 percent to Malaya, and 12 percent to the United Kingdom—a decided contrast to the situation in 1948 when about 79 percent went directly to the United States and only about 18 percent and 3 percent, respectively, to Malaya and Europe.

Continued interest was shown in some form of quality control over rubber exports, and the press reported that a bill was being drafted for presentation to Parliament. Some trade circles doubt the feasibility of any such scheme until larger numbers of expert inspectors are available and until there is a higher degree of voluntary cooperation among rubber dealers and shippers.

There were no imports of crude rubber into Thailand in 1948, but during the period January through August 1949, 145,097 kilograms were imported from Indonesia.

Rubber Production & Consumption

World new rubber consumption was 165,000 long tons in January 1950, compared with 157,500 tons in December, and 165,000 tons in January 1949. World production of natural rubber was estimated at 127,500 tons in January, down 12,500 tons from December, and down 2,500 tons from January a year ago. The January 1950 figure reflects lowered shipments of native rubber

from Indonesia. In January these shipments totaled 17,050 tons, a sharp drop from the 28,437 tons reported for December. Balancing production, world natural rubber consumption in January totalled 127,500 tons, up 5,000 tons from December. Consumption in January 1949 was estimated at 125,000 tons.

World stocks of natural rubber, excluding Russian stocks and Government stocks in the United States, the United Kingdom, and France, were estimated at 755,000 tons at the end of January, compared with 757,500 tons at the end of the previous month, and 745,000 tons at the end of January 1949. January 1950 stock estimates included 227,500 tons in producing countries, 270,000 tons in consuming countries, and 257,500 tons afloat.

World output of synthetic rubber, was estimated at 23,500 tons in January, compared with 31,200 tons in December, and 43,700 tons in January 1949. January 1950 consumption was estimated at 37,500 tons, exceeding output by

5,000 tons. Consumption in December was estimated at 35,000 tons, and in January 1949, at 40,000 tons. Stocks of synthetic rubber were estimated at 102,500 tons at the end of January, as against 110,000 tons at the end of December, and 130,000 tons at the end of January 1949.

No estimates for Russia are included in the preceding figures with the exception of natural rubber consumption. The consumption figures include an estimated 1,000 tons of natural rubber imports into Russia for January 1950, 2,500 tons for December, and 10,000 tons for January 1949.

Trade in Soap in Singapore and Malaya

Imports of washing soaps into Singapore and the Federation of Malaya in 1949 totalled 83,330 hundredweight, an increase of 78 percent over comparable imports in the preceding year. Toilet and other types of soap totalled 23,556 hundredweight (612,007 pounds), respectively, or slightly more than 1948 quantities. Washing soaps represented

about 74 percent of soap imports in both years. The United Kingdom was the principal supplier, with Australia, Hongkong, and the Union of India as secondary sources. Imports from the United States totalled 161 hundredweight (18,024 pounds) in 1949, compared with 168 hundredweight (18,807 pounds) in 1948, a decrease of 4 percent.

Exports of washing soap from this area in 1949 totalled 169,470 hundredweight, or 18 percent under 1948. Most of this soap went to Hongkong, Sumatra, and British countries in Asia. Toilet-soap exports of 1,106 hundredweight (123,982 pounds) were 68 percent above the total for the preceding year. Nearly all shipments went to Hongkong and Sumatra. Shipments of other types, 617 hundredweight (60,081 pounds) during 1949, increased 2 percent over 1948. Egypt and Sumatra were the principal destinations. No significant changes in trade patterns developed in 1949.

HONGKONG COMMODITY REPORTS

Cotton Piece Goods & Cotton Yarn

The cotton piece goods market continued its downward trend, with buyers holding back in the hope of a further drop. Local dyeing factories were in the market, though not to any large extent, and a few transactions took place in Japanese 2023 grey sheetings at \$42.30 per piece falling later to \$41.80 although without sales. Closing prices of some of the makes were: Bellman \$44 per piece, Elephant Head \$42.50, Fairy Eagle and Flower & Bird 38" \$44.50 each, Hung Fuk \$45, Pine & Crane \$42.50 piece. The exceptions to the prevailing decreases were Double Flying Dragon which rose to \$43 and Indian 3995 which had some sales at the increased price of \$35.60 per piece. Nan Cheong white drills rose to \$47.50 per piece with a few sales, but Golden City fell to \$44.50. In white cloth, Memorial Pagoda dropped to \$48 per piece, Nan Cheong to \$45.50 and Tsing Mu Lan to \$44 per piece. In black cloth, Bat & Tripod 24 yds. fell to \$53.50, Double Golden Tael to \$54 and Nan Cheong to \$51.50 per piece.

Local dyeing factories were in the market for cotton yarns and buyers from Thailand, attracted by the low prices, were making enquiries in the course of the week, especially in regard to Indian 10's and 20's. Little buying interest was, however, displayed as it was clear that buyers were anticipating a further fall, particularly in view of the refusal by the South China authorities to issue the necessary import permits and the tightness of money created by compulsory investment in "Victory" bonds. Golden Cow 10's showed an increase to \$665 per bale but other brands fell, Gateway brand showing a drop to \$605 per bale, Sphinx falling to \$600 per bale, Camel to \$820, Double Eagle to \$623 and Flying Elephant to \$710 per bale. In 20's, Flying Fish showed an increase to \$1195 per bale, Junk brand to \$1160, Lady on Horse to \$930 and Tai Fat to \$1150 per bale; other brands fell, Gateway brand to \$880 per bale, Girl with Vessel to \$805, Golden Cow to \$880, Golden Pagoda and Golden Star to \$1100 each, Peacock to \$840, Blue Phoenix to \$1170, Cacatoo to \$920, Double Fish to \$1120, Double Horse to \$1240 per bale.

Raw Cotton

The raw cotton market has fallen upon bad times; the chief market for this commodity is North and Central China, but various bottlenecks at Canton and elsewhere along the railway make transportation difficult. Add to this the suspension of operations by spinning mills in Shanghai and other cities, which has lessened the demand for raw cotton and it is evident that unless something can be done to revive the cotton industry the price of raw cotton has little chance of improvement, especially as shipments continue to arrive against orders placed at the end of last year and more are expected; a rough estimate of stocks held in Hongkong gives 6,000 bales of USA cotton and over 25,000 bales of Pakistani raw cotton, excluding around 7000 bales which have arrived or are expected shortly from Pakistan. Prices by the close of the week had fallen further: US raw cotton 1" was offered at \$1.95, $\frac{7}{8}$ " 1 q. was quoted at \$1.85 and 2 q. at \$1.80 and 15/16" 1 q. at \$1.92 per lb.; these prices can show little or no profit against those quoted by importers of US raw cotton: 1" at US 31 cents or HK\$1.96 per lb., $\frac{7}{8}$ " 1 q. at about HK\$1.85 and 15/16" 1 q. at about HK\$1.92 per lb. Pakistani 49/50 raw cotton NT Roller Gin was offered at \$1.87 per lb., LSS Roller Gin at \$1.80, 4F Roller Gin at \$1.75, and 289F at \$1.88 per lb., (indent prices P.Rs.780 per 784 lb. bale for 4F Roller Gin, Rs.800 for LSS Roller Gin and Rs.825 at NT Roller Gin). Burmese raw cotton also fell in price, superfine quality being offered at \$1.65 and first quality at \$1.60 per lb.

Metals

Renewed activity was shown in the metals market during the week, although dealers are not too optimistic as to the immediate future, with new cargoes expected and storage space remaining as difficult to procure as before. Several transactions took place in both thick and thin Galvanised Mild Steel Sheets. Japan G30 (thin) 3' x 7' sold at the previous price of \$7.20 and 3' x 6' for \$6.20 per piece; Belgian thin sheets stood at \$7.30 for 3' x 7'. Thick sheets however, showed an improvement in some specifications, Japan 3' x 7' G24 rose to 47 cents per lb, G26 sold at 54 cents and G28 rose to 58 cents per lb; European 3' x 8' G24 (forward) was offered at the lower price of 45 cents and G26 stood at 54 cents per lb. Sales of Mild Steel Plates were on the whole good due to purchases by buyers from Thailand, Taiwan and North China, and prices rose in some specifications with the demand, falling again later when requirements were satisfied: 4 x 8' 1/32" sold at \$54 per picul, falling to \$50; but 1/16 fell to \$39; 3/32" stood at \$38, $\frac{5}{8}$ ", 3/16" and 5/16" advanced to \$34, $\frac{1}{8}$ ", 3/16" and $\frac{1}{4}$ " were quoted at \$28 but without buyers, while $\frac{3}{8}$ " and upwards were offered at \$28 to \$30 per picul. Mild Steel Round Bars also showed an improvement in price, 40' $\frac{1}{4}$ " and 5/16" selling at \$33 per picul, $\frac{3}{8}$ " and 1" at \$29 per picul, $\frac{7}{8}$ " to $\frac{5}{8}$ " at \$27 to \$29. $1\frac{1}{8}$ " and $1\frac{1}{4}$ " for

\$30/\$31, and 1 1/2" at \$32 per picul; 20-22' 1 1/4" bars were quoted at \$33 per picul, 2", 2 1/2" and 3" at \$34 and \$35. Corrugated Roofing Iron Sheets showed declining activity, as the Philippines have been filling their requirements direct from Japan and Singapore, in the latter case for sheets from Europe. Prices ruling on the local market were: 3' x 7' G24 50 cents per lb., G26 58 cents, and G28 64 cents. Wire Rods also declined with European 1st quality 3/16", 7/32" and $\frac{1}{2}$ " standing at \$29 per picul for local consumption and \$30 for re-export. Declines were also registered in 2nd quality wire rods with 3/16" to $\frac{1}{2}$ " being quoted at an average price of \$28 and \$24 per picul. On the other hand Wire Nails due to an increased demand from Taiwan improved, with selling prices for G15 1" and G14 1 1/4" standing at \$42 per picul, G12 1 1/4" at \$44; 1 1/2", 2", 2 1/2" and 3" at \$40; and 4" to 6" quoted at \$43 and \$44; locally made wire nails stood at \$39 per picul. Charcoal Plates were steady, being in demand by local enamelling factories: 3 x 6 ft. G18 were quoted at \$47 per picul, G20 and G22 at \$48, G24 at \$58 and G26 at \$60 per picul.

An improved demand for Copper Sheets 4 x 8' by Tientsin & Tsingtao dealers together with short supplies, sent prices up especially as fresh arrivals are not expected for some little time. European 4 x 8' 1/16" were quoted at \$230 per picul; 5/32" and 3/32" stood at \$240; $\frac{1}{2}$ " at \$245; and 3/16" and $\frac{3}{8}$ " at \$250 per picul. On the other hand the Brass Sheet market was dull, with fresh supplies arriving from the United Kingdom. Dealers showed a preference for the cheaper Japanese product which was offered at \$175 per picul for 8" G8 to G12 rolled brass sheets, whereas the British 8" G9 to G11 was quoted at \$185 and \$190 with G12 being offered at \$200; British G5 and G6 stood firm at \$260 per picul. With dealers from Thailand in the market for Zinc Sheets, prices remained steady: Polish 3 x 8" G4 were offered at \$123 per picul, G5 sold at \$110 and G6 were quoted at \$103; Belgian G5 remained unchanged at \$112 per picul.

Some interest was shown by local manufacturers in British tinplates, 20 x 28" 200 lbs packing selling for \$106 for spot and \$105 per case ex-godown. Taiwan dealers were in the market for USA tinplate waste. Bat brand 10 x 10" 200 lbs. casks sold at \$74, and tonnage packing at \$73 per 200 lbs. Electrolytic tin plates 18 x 24" tonnage packing were sold at \$68 per 200 lb while products from other makers were quoted at \$66 per 200 lb.

Cement

There is keen competition on the local market between the Indochina and Japanese makes of cement, but merchants are reluctant to place further orders with the suppliers in view of the acute shortage of storage space. The indent price of Indochina Dragon brand was quoted during the week at \$4.50 per 94-lb. bag ex-ship and at \$5.80 per 1 cwt bag; sales of the latter being made at \$5.85 for spot. Japanese

cement was offered at \$107 to \$110 per ton c.i.f. Hongkong; the ex-godown price was \$115 per ton and \$120 per ton for re-export cargo, while the spot price was \$5.60 to \$5.90 per 100 lb. bag. Taiwan cement was offered at \$6 per 1 cwt. bag forward, and Tientsin Horse brand also at the lower price of \$6.10, but neither could not compete with the other two brands; the ex-godown price per ton stood at \$120 for both the Taiwan and Tientsin makes. Danish Bate brand white cement remained at \$13.50 per 1 cwt. bag and \$245 per ton c.i.f. Hongkong. Polish cement was also offered at the lower price of \$6.20 per 1 cwt. bag, but without large transactions, while the ex-godown price stood at \$120 per ton. Green Island cement showed no change; Emeralcrete rapid hardening 112 lb. bags stood at \$8.20 on the open market (\$7.80 official price), Emerald brand was at \$7.20 per 112 lb. bag (\$6.80), and Snowcrete British white cement was offered at \$61 per drum of 375 lbs. nett (\$55). Snowcrete British cement paint was offered at the usual price of \$58 per steel drum of 112 lbs. nett ex-godown.

Paper

The demand from South America and South Africa for Newsprint has become so great that Norway and Sweden increased the indent price and this action has been followed by Austrian manufacturers who although not members of the European Manufacturers' Union have increased their indent price from £48 to £53 per ton c.i.f. Hongkong, thus bringing Austrian newsprint to the level of that from Sweden and Norway. As however, the Austrian commodity is considered slightly inferior in quality to the Swedish and Norwegian makes, demand for the Austrian paper is not expected to continue active following the increase in price. Hitherto competition has been keen, as the Austrian newsprint was not only cheaper but also quicker in delivery. During the week Taiwan dealers were in the market as well as buyers from South Korea and the Philippines. Prices were: Newsprint in roll 52 gr. 31" 35 cents per lb., 50 gr. 43" 34 cents, 52 gr. 31" (Norwegian) 35 cents, while the price for 24 x 36", coloured, stood at \$15 per ream. The prices of Newsprint in sheets fell: 50 lbs. 31 x 43" sold at \$18.80 per ream, Russian 45 lbs. 30 1/4 x 42 3/4" fetched \$17.20, and Japanese 48 lbs. 30.5 x 42 was offered at \$17.60 per ream. Newsprint in Canton has had a serious fall in price due to the fact that merchants are being forced to sell their stocks in order to raise money to subscribe to the Victory Bonds for which the authorities are pressing. Other types of paper are also affected by the necessity to sell in order to obtain funds, and prices are so low that at present no further purchases can be made on the Hongkong market. A certain number of purchases were however made by dealers from Swatow as well as from Thailand, the former coming into the market for Woodfree 58 lb. quality which was offered at 58 cents per lb., and MG Sulphite 40 lbs. brown which

sold at \$20.50 per ream. Thailand traders also purchased Orange Match Paper 31 x 45 1/2 37 lbs. at \$22.80 per ream. At the end of the week the market showed a more or less general decline: Aluminium Foil Paper (British) 4.5 x 6.75 showed a drop to \$2.20 per lb., while the USA make fell to \$21.16 per lb.; M.G. Sulphite Paper 47 lbs. 35 x 47 green dropped to \$24 per ream; M.G. Cap fell to \$8.80 per ream, but the most serious decline was seen in Strawboard, yellow, No. 8 25" x 33" (Holland) which sold at the end of the week for \$340 as against \$350 while No. 8 (Taiwan) went for \$350 as against the previous price of \$355.

Glass

The glass market remained steady with a fair demand for insulight glass blocks, especially for the British make as stocks of USA glass blocks were low. British 8 sq. in. sold at \$3.50 each and 6 sq. in. rose to \$3. USA 8 sq. in. were offered at \$4.10 and 6 sq. in. blocks at \$3.30 each. Other prices ruling were: French window glass 100 ft. 16-18 oz. \$25 per case, 200 ft. 24 oz. \$80 per case; Czechoslovakian 100 ft. 16-18 oz. \$26 per case, 300 ft. 44 oz. best specifications \$600 per case, middle specifications \$480 and small specifications \$420 per case.

Rubber

The rubber market still shows no signs of recovery, and prices continued to fall during the week. Holders showed a disinclination to part with their stocks, as little profit is to be shown at present prices, consequently only small transactions took place at lower rates. Stocks at present of rubber sheets, are estimated to stand at a little over 1000 tons. During the week prices continued to decline, as a result of practically no demand from Canton and other ports and with local rubber factories and Taiwan buyers making only small purchases. Prices at the close were: Smoked Rubber Sheets No. 1 \$132 per picul, No. 2 \$128, No. 124 and No. 4 \$122; Sole Crepe Rubber No. 1 \$265 per picul and No. 2 \$245; Pale Crepe No. 1 \$160 and No. 2 \$140 per picul; Pale Crepe Ends \$160 per picul.

Vegetable Oils & China Produce

Considerable quantities of tungoil (woodoil) have been arriving from Tientsin and Tsingtao, adding to the large stocks already held in Hongkong, although no supplies have been received from Canton, the rate fixed by the Canton government for the surrender of foreign exchange making the cost of the tungoil unprofitable where the Hongkong market with its falling prices is concerned. The decline continued during the week with an inactive market: Tungoil (concentrate) fell further to \$180 per picul with three-weeks forward at \$179; USA buying offer was at US\$2475 cents per lb., while buying offers from Europe stood at £210 per ton. Teased oil, with a dull market, followed the example of tungoil and declined further; a reduction was reported in the export price in Canton from \$265 per quintal to \$250 or over \$140 per picul, which would allow of a

profit on new transactions should there be a demand from abroad. On the local market the price of 4% acid teaseed oil fell to \$153 per picul and three-weeks forward to \$154, while buying offers from Europe dropped to £178 per ton c.i.f. Rapeseed oil as a contrast saw some activity, the price rising to \$98 per picul for 4% acid. Aniseed oil was dull, and although at the commencement of the week the selling price was \$900 per picul towards the close, with little interest shown, the price dropped to \$890 per picul. Little interest was shown in coconut oil and the arrival of fresh shipments brought down the price to \$120 per picul.

Information has been received that the People's Govt. has set up trade units at Lukwo, a collecting centre on the Kwangsi and Kwangtung border, for the collection of cassia lignea, giving rice in exchange. It is anticipated that by this means private trading will be eliminated. The price of the 84-catty packing stood at \$62 per picul, and that of the 60-catty packing at \$59, though old stock of the latter was offered a \$57 per picul; cassia lignea in bundles was sold at \$56.50 per picul to Indian exporters, and the bulk packing Rose to \$54. Yunnan cassia, unscraped, sold at \$89 per picul.

Japanese buyers were in the market for Szechuan ramie, but the selling price proved too high. West River, Kwangtung, ramie fibres were offered at \$225, and the Chungking product at \$220 for 1 q. and \$210 for 2 q., whereas the offer from Japan was US\$27 cents per lb. c.i.f. Yuenkong flax with a few transactions improved to \$230 per picul for 1 q. The rosin market was dull at first but brightened with the appearance of buyers from Thailand, attracted by the low price of \$48 per picul for the East River product. The fall in price was presumably caused by the placing on the market of about 800 cases of East River rosin of uncertain origin at the low price of \$35 per picul; doubts existed as to whether it was offered for sale by sources connected with the Canton authorities, or whether it formed part of a cargo captured by the KMT patrol units at the mouth of the Pearl River last month which they had been unable to dispose of in Macao. Swatow dealers were in the market for crude rosin, which they purchased at \$62 per picul. There was little demand for Hankow lime cubes and the price fell, transactions taking place at \$43 and \$40 per picul. Gall-nuts also found a dull market, the Chungking and Liuchow products selling at the lower price of \$112 per picul each, although the Korean gall-nuts had a rise to \$105 per picul.

Considerable activity was seen in the tungsten (wolfram) ore market, dealers being once more willing to part with their stocks. The price of 65% wolframite rose to \$283 per picul on a sale of more than 100 tons, while the 52% ore was offered at about \$226 per picul; Korean tungsten was offered at \$270 per picul. China 65 deg. tungsten was offered at \$255 per picul and 80% of 65 deg. at \$204.

Tin Ingots also showed a rise in price: Hoyuen, Kwangsi, 99% sold at \$580 per picul, Yunnan, 99% at \$575, Singapore Marked Banker at \$590 per picul. China Tin remained at \$350 for 60% quality, while 50% for soldering stood at \$300 and 40% for soldering at \$270 per picul. Antimony also showed an increase, sales being effected at \$175 per picul. Copper Ingots from Kwangsi fetched \$100 per picul. Regulus Tin 99% sold at the higher price of \$585 per picul.

British Bushing Tin being in demand, with insufficient supplies, the price rose to \$9.50 per picul, the USA make also showing an improvement to \$4.80 per lb.

China Tea

In anticipation of the arrival of fresh supplies of tea, dealers are offering their old stocks at low prices. A shipment from Fukien has added to the already substantial holdings and dealers are being cautious, although producers are asking higher rates. Imports of Taiwan tea have decreased in consequence of low stocks in the island resulting from high prices in the Taiwan market. Few orders have been received lately from the USA and South Africa. During the week Pao-chung 1 q. was quoted at \$500 per picul, while 2 q. was offered at \$425 per picul; BOP black tea was sold at \$330 and OP first quality was quoted at \$285 per picul.

Hides

Hongkong's hide market, which usually depends to a large extent on British and Japanese exporters has been dull with few transactions reported. Japanese dealers were in the market, but the price offered was not acceptable, while British buyers were showing slight interest. At the same time the arrival of hides from China has become intermittent due to transportation difficulties and though larger and more regular consignments are coming from Hoihow the quality has not been up to re-export standard and local dealers are turning to Thailand for supplies. Cattle hides of light weight were sold during the week at \$650 per picul, medium weight at \$550 and heavy weight at \$400. Buffalo hides 40 lbs. up were sold at \$225 per picul, 30 lbs. up at \$235 per picul, and 20 lbs. up at \$215 per picul.

Wheat Flour

The flour market improved during the week with North China and Taiwan dealers making purchases. Notwithstanding substantial arrivals, Australian A.W.B. improved to \$17.80 per 50 lb bag; a slight decline was however registered later to \$17.70. Canadian Saskania brand went for \$18.60 while Delta's Queen sold for \$17.40 per 50 lb bag. Heavy stocks of flour are still in Hongkong and as storage space is still difficult to find many dealers prefer to buy forward in the hope that the situation will clear. Prices showing an increase were: Australian Five Bats \$17.50 and Queen \$17; Canadian Delta's Queen \$17.40, Red Maple Leaf \$18.70 and Moon \$16.40.

Hongkong's Principal Trading Partners for December 1949

Hongkong's total trade in merchandise for December 1949 (which was analyzed in the "Far Eastern Economic Review" of February 9, 1950, No. 6) was valued at \$565,869,432, or 11.99% above the previous month's figure of \$505,262,630 and 27.74% above the December 1948 figure of \$442,961,949. December 1949 imports were valued at \$286,665,075 and exports came to \$279,-214,357. Details of the exchange between Hongkong and its principal trading partners in December 1949 as compared with the previous month are given below. The totals include gold and specie, where applicable, as well as merchandise.

Imports from the United Kingdom totalled \$40 m., a 17.5% drop from the November figure of \$48.5 m., and exports came to \$10.6 m., down 17.8% against November \$12.9 m. The principal import increases were in: tobacco \$2.1 m. (\$2 m.), chemicals and pharmaceuticals \$3.9 m. (\$3.6 m.), and iron and steel \$1.3 m. (\$1.2 m.); there were considerable drops in yarns and threads \$4 m. (\$4.4 m.), textile fabrics and small wares \$5.8 m. (\$9.3 m.), non-ferrous base metals \$1 m. (\$3.7 m.), electrical machinery and appliances \$2.6 m. (\$3.3 m.), sugar and confectionery \$996,762 (\$2.8 m.), textile clothing \$911,113 (\$1.7 m.), and vehicles and transport equipment \$2.4 (\$3.2 m.). There were important export increases in animal and vegetable oils \$1.5 m. (\$313,420), textile clothing \$1.3 m. (nil), footwear \$1.2 m. (nil), and miscellaneous crude or simply prepared products \$2.1 m. (\$264,055). Notable export losses were in vegetables \$587,-640 (\$1.8 m.), vehicles and transport equipment \$19,100 (\$2.1 m.) and manufactured articles n.e.s. \$264,118 (\$1.4 m.). Over \$1 m. worth of gold and specie was exported to the United Kingdom in December as against none in November; imports in both months were nil.

Trade with Australia declined substantially in December 1949, imports falling from \$7.7 m. in November to \$6.9 m. in December, and exports dropping from \$5 m. to \$2.5 m. A large rise in imports of dairy products, from \$1 m. to \$1.7 m., was more than offset by the drop in manufactured cereal imports, which fell from \$4.2 m. to \$1.2 m.; the principal export drop was in yarns and threads (\$1.4 m. in November and \$207,850 in December 1948) and there were no major export gains.

Imports from India more than doubled, rising from \$11.4 m. to \$23.8 m., while exports dropped from \$2.4 m. to \$1.7 m. There were large increases in imports of yarns and threads \$8.7 m. (\$5.4 m.), textile fabrics and small wares \$1.2 m. (\$765,166), made-up textile articles other than clothing \$10.8 m. (\$4.3 m.), and heating and power products \$2 m. (\$371,354); there was a drop in the only major export category, manufacturers of base metals, \$1.4 m. (\$1.9 m.).

Trade with Malaya (British) increased, imports rising from \$14.4 m. to \$15.3 m. and exports from \$17.7 m. to \$20.2 m. Imports rose considerably in coffee, tea, cocoa and spices \$1.2 m. (\$321,550), wood and cork \$2.4 m. (\$927,272) and textile fabrics and small wares \$3.8 m. (\$1.4 m.), while rubber imports dropped from \$7.2 m. to \$3.9 m. Several important export categories showed gains, notably fruits and nuts \$1.7 m. (\$940,329), vegetables \$1.8 m. (\$1 m.), paper \$1.4 m. (\$714,227), and textile clothing \$1.15 m. (\$1 m.); while there were declines in textile fabrics and small wares \$2.85 m. (\$3 m.), and manufactured articles n.e.s. \$2.9 m. (\$3.5 m.).

Imports from China as a whole rose from \$39.5 m. in November to \$47 m. in December, and exports from \$95 m. to \$127 m. Imports from North China increased by 19% from \$25.7 m. to \$30.6 m., and exports rose 9.6% from \$56.8 m. to \$62.3 m. Major import in-

creases were in manufactured cereal products \$2 m. (\$1.4 m.), fruits and nuts \$1.6 m. (\$1.1 m.), oilseeds \$7.8 m. (\$1.4 m.), vegetable oils \$1.7 m. (\$1.2 m.), miscellaneous crude or simply prepared products n.e.s. \$3.3 m. (\$2.7 m.), and yarns and threads \$4.8 m. (\$4.4 m.); the chief declines were in textile fabrics and small wares \$2.5 m. (\$2.8 m.), and gold and specie, nil nil (\$2.2 m.). Main export increases were in chemicals and pharmaceuticals \$6.9 m. (\$6.5 m.), pulp and products \$3.3 m. (\$2.9 m.), textile materials raw or simply prepared \$18.3 m. (\$12.7 m.), iron and steel \$4.1 m. (\$3.1 m.), and non-ferrous base metals \$2 m. (\$988,335); major declines were in dyeing and tanning substances \$5.4 m. (\$6.8 m.), rubber \$2.3 m. (\$6.6 m.), and vehicles and transport equipment \$801,272 (\$1.6 m.).

Trade with Central China almost doubled: imports rose from \$5.3 m. to \$9 m. and exports from \$23.2 m. to \$46.3 m. The chief import increases were in sugar and sugar confectionery \$2.5 m. (\$1.8 m.) and coffee, tea, cocoa and spices \$2.3 m. (\$1.5 m.). Exports increased substantially in fishery products \$2.3 m. (\$627,574), vegetables \$2.7 m. (\$1.5 m.), chemicals and pharmaceuticals \$2.2 m. (\$1.4 m.), dyeing and tanning substances \$1.9 m. (\$1.3 m.), fertilizers \$1.4 m. (\$840,918), paper \$1.4 m. (\$961,838), yarns & threads \$8.5 m. (\$2.6 m.), textile fabrics and small wares \$5 m. (\$1.3 m.), made-up textile articles other than clothing \$5.5 m. (\$79,674), heating and power products \$1.6 m. (\$1.1 m.), miscellaneous crude or simply prepared products n.e.s. \$1 m. (\$283,388), and gold and specie \$2.7 m. (nil). The only declines in the major export categories were in manufactured cereal products \$2.3 m. (\$2.7 m.) and animal feedstuffs \$1.8 m. (\$2 m.).

Imports from South China dropped from \$8.5 m. to \$7.4 m., but exports rose from \$15 m. to \$18.4 m. The chief import declines were in non-ferrous base metals \$158,298 (\$1 m.) and miscellaneous crude or simply prepared products n.e.s. \$377,491 (\$1.2 m.); the most important single category, live animals, rose from \$3.1 m. to \$3.9 m. In exports, considerable gains were made in manufactured cereal products \$1.5 m. (\$1.1 m.), dyeing and tanning substances \$1.4 m. (\$458,386), paper \$2.2 m. (\$955,501), and heating and power products \$3.5 m. (\$731,238). The most notable falls were in textile fabrics and small wares \$626,611 (\$2.4 m.) and gold and specie \$258,000 (\$5.1 m.).

Trade with Macao increased, imports rising from \$4.4 m. to \$7.9 m. and exports from \$30.5 m. to \$34 m. The outstanding increase in imports was in textile fabrics and small wares \$2.3 m. (\$80,700); manufactured articles n.e.s. dropped from \$1.6 m. to \$1.1 m. In the major export categories, gains were scored in fishery products \$2.7 m. (\$2.1 m.), fruits and nuts \$1 m. (\$892,340), vegetables \$1.11 m. (\$1.08 m.), fertilizers \$1.3 m. (\$535,215), paper \$1.2 m. (\$1 m.), yarns and threads \$2.2 m. (\$1.6 m.), textile fabrics and small wares \$6 m. (\$3.9 m.), textile clothing \$1.9 m. (\$1.6 m.).

m.), heating and power products \$1.8 m. (\$1.2 m.), and manufactured articles n.e.s. \$1 m. (\$628,578); there were declines in manufactured cereal products \$2.4 m. (\$2.6 m.), sugar and sugar confectionery \$585,955 (\$1.6 m.), and oilseeds \$1.2 m. (\$1.3 m.).

Imports from Japan rose from \$3.6 m. to \$4.3 m., and exports increased from \$6.1 m. to \$7.5 m. There were substantial increases in two major import categories, textile fabrics and small wares \$1.7 m. (\$569,827) and non-electrical machinery and appliances \$1.8 m. (\$1.2 m.). In the major export categories there were declines in animal feedstuffs, nil (\$2.2 m.) and textile fabrics and small wares \$704,540 (\$1.2 m.); but increases in oilseeds \$3 m. (\$297,494) and textile materials raw or simply prepared \$1.7 m. (\$702,197).

The December trade pattern with Korea as a whole reversed that of November. In December, with imports of \$5.1 m. and exports valued at \$11 m., there was a heavy favourable balance, while November's imports at \$11.3 m. and exports at \$7.4 m. left a considerable import surplus. Imports from South Korea dropped from \$4.5 m. in November to \$2.1 m. in December, and exports dropped from \$7.4 m. to \$4.6 m. The fall in imports was attributable almost entirely to the sharp drop—from \$4.2 m. to \$1.2 m.—in the only major import category, fishery products. The two chief export categories, paper \$585,035 (\$1.1 m.) and yarns and threads \$2.7 m. (\$3.9 m.), also showed considerable losses. In the exchange with North Korea, the Colony's imports dropped from \$6.8 m. to \$3 m., but exports rose from nil to \$6.4 m. There was a small rise in imports of fishery products \$1.7 m. (\$1.6 m.), but this was more than offset by the fact that there were no imports of cereals and fertilizers, which had provided more than half of the previous month's imports (\$1.6 m. and \$2.5 m. respectively); the bulk of December's exports was in textile fabrics and small wares \$4.5 m.

Trade with Thailand (Siam) declined. Imports dropped from \$14.3 m. to \$10.4 m., and exports from \$5.1 m. to \$3.3 m. In the major import categories there were increases in oilseeds \$1.9 m. (\$1.2 m.), animal and vegetable oils \$1.1 m. (\$204,440), and wood, cork and products \$1.6 m. (\$96), but these were more than counter-balanced by declines in fishery products \$2.7 m. (\$6.5 m.) and animal feedstuffs \$42,400 (\$1.5 m.). The largest single export category in December was manufactures of base metals n.e.s. \$506,006 (\$626,169), while textile materials, raw or simply prepared, which provided \$875,918 worth of exports in November, slumped to \$13,990 in the following month.

Trade with the United States increased, imports rising from \$57.2 m. to \$60.2 m. and exports from \$24.7 m. to \$26.7 m. There were declines in several of the major import categories: tobacco \$5.4 m. (\$5.9 m.), textile fabrics and small ware \$3.8 m. (\$4 m.), iron and steel \$2.4 m. (\$3.4 m.), non-electrical machinery and appliances \$1.5 m. (\$2.9 m.), electrical machinery and

appliances \$882,889 (\$1.5 m.), vehicles and transport equipment \$1.1 m. (\$1.3 m.) and manufactured articles n.e.s. \$4.1 m. (\$7.3 m.). These, however, were more than offset by increases in such important categories as fishery products \$1.2 m. (\$826,849), chemicals and pharmaceuticals \$13.4 m. (\$11.1 m.), dyeing and tanning substances \$3.4 m. (\$1.4 m.), essential oils, soaps, etc. \$1.3 m. (\$978,026), paper \$1.2 m. (\$935,037), heating and power products \$2.6 m. (\$780,264), manufactures of base metals n.e.s. \$2.4 m. (\$1.9 m.), and miscellaneous crude or simply prepared products n.e.s. \$1.6 m. (\$1.1 m.). Among the principal export categories, there were increases in textile fabrics and small wares \$1.3 m. (\$604,843), miscellaneous crude or simply prepared products n.e.s. \$13.5 m. (\$12.6 m.), manufactured articles n.e.s. \$1.4 m. (\$1 m.), and gold and specie \$2.9 m. (\$1.8 m.); and a drop in non-ferrous base metals \$2 m. (\$4.2 m.).

The outstanding items in the exchange with Hongkong's minor trading partners are the following: Indonesia (Netherlands East Indies): imports \$6.2 m. (\$5.1 m.), exports \$2.85 m. (\$2.9 m.); chief import increases in heating and power products \$4.7 m. (\$4.2 m.) and rubber \$633,500 (\$3,900); main export drop in textile clothing \$234,590 (\$566,858). Philippines: imports \$11.6 m. (\$1.4 m.), increase due to imports of gold and specie \$10.9 m. (nil); exports \$12.1 m. (\$10 m.), main increase in manufactures of base metals n.e.s. \$3.3 m. (\$1.3 m.). North Borneo (Br.): imports \$1.5 m. (\$992,921), chief import wood \$1.2 m. (\$741,143); exports \$1.1 m. (\$1.5 m.), chief export tobacco \$405,025 (\$757,150). Burma: imports \$583,304 (\$15,263), chief import, textile materials raw or simply prepared \$550,880 (nil), exports \$1.2 m. (\$1 m.), chief export dyeing and tanning substances \$238,584. Pakistan: imports \$5.4 m. (\$6.3 m.), principal import raw cotton \$5.2 m. (\$6.3 m.); exports \$1.8 m. (\$2.2 m.), main export textile fabrics and small wares \$930,720 (\$1.8 m.).

Canada: imports \$9.5 m. (\$6.3 m.), chief import manufactured cereal products \$4.1 m. (\$4 m.); exports \$746,268 (\$590,314), chief export textile fabrics and small wares \$291,144. South Africa: imports \$1.5 m. (\$8.1 m.), chief import precious metals and precious stones \$723,588 (\$3.4 m.); exports \$520,069 (\$654,046), chief export manufactures of base metals n.e.s. \$257,836. Holland: imports \$5.2 m. (\$4.9 m.), chief import dairy products \$1.1 m. (\$2 m.); exports \$6.6 m. (\$2.5 m.), chief export vegetable oils \$3.3 m. (\$1.7 m.). Italy: imports \$5.9 m. (\$3.4 m.), chief import textile fabrics and small wares \$3.6 m. (\$1.3 m.); exports \$669,537 (\$579,095), chief export textile materials raw or simply prepared \$409,711. Norway: imports \$2.3 m. (\$836,289), chief import paper \$2.2 m. (\$819,835); exports \$450,986 (\$583,621), chief export miscellaneous crude or simply prepared products n.e.s. \$266,274. Sweden: imports \$3.6 m. (\$522,945), chief import paper \$2.4 m. (\$375,499); exports \$679,521 (\$137,283), chief export ores, slag and cinder \$391,594.

Hongkong's Principal Trading Partners

TOTAL VALUES OF IMPORTS & EXPORTS BY COUNTRIES
FOR THE MONTH OF DECEMBER, 1949

UNITED KINGDOM

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof	74,965	—
Dairy products, eggs and honey	137,032	—
Fishery products, for food	12,060	300
Manufactured products of cereals, chiefly for human food	339,254	—
Fruits and nuts, except oil-nuts	10,320	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	38,958	587,640
Sugar and sugar confectionery	996,762	—
Coffee, tea, cocoa and preparations thereof; spices	466,588	306,322
Beverages and vinegars	549,415	—
Tobacco	2,125,368	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	5,700	1,522,483
Chemical elements and compounds; pharmaceutical products	3,921,734	406,375
Dyeing, tanning and colouring substances (not including crude materials)	1,093,675	83,654
Essential oils, perfumery, cosmetics, soaps and related products	512,607	423,758
Fertilizers	234,193	—
Rubber and manufactures thereof, n.e.s.	245,191	—
Wood, cork & manufactures thereof	9,321	360
Pulp, paper and cardboard and manufactures thereof	1,088,673	—
Hides and skins and leather	125,959	387,477
Manufactures of leather, not including articles of clothing	65,303	—
Textile materials, raw or simply prepared	427,647	265,335
Yarns and thread	3,969,247	—
Textile fabrics and small wares	5,837,287	890
Special and technical textile articles	430,121	—
Clothing and underwear of textile materials; hats of all materials	911,113	1,337,827
Clothing of leather and fur	20,123	—
Footwear, boots, shoes and slippers	106,742	1,198,318
Made-up articles of textile materials other than clothing	74,236	1,216
Products for heating, lighting and power, lubricants and related products	72,253	—
Non-metallic minerals, crude or simply prepared, n.e.s.	83,269	—
Pottery and other clay products	302,504	—
Glass and glassware	60,624	—
Manufactures of non-metallic minerals, n.e.s.	131,170	—
Precious metals and precious stones, pearls and articles made of these materials	127,171	106,671
Ores, slag, cinder	—	233,161
Iron and steel	1,328,397	—
Non-ferrous base metals	1,012,961	—
Manufactures of base metals n.e.s.	1,371,621	141,484
Machinery, apparatus and appliances other than electrical, n.e.s.	1,704,430	—
Electrical machinery, apparatus and appliances	2,594,608	129,688
Vehicles & transport equipment, n.e.s.	2,417,186	19,100
Miscellaneous crude or simply prepared products, n.e.s.	116,165	2,106,146
Manufactured articles, n.e.s.	810,937	264,118
Gold and specie	—	1,041,676
Total	35,962,890	10,563,999

AUSTRALIA

ARTICLES	Imports \$	Exports \$
Meat and preparations thereof	495,727	140
Dairy products, eggs and honey	1,735,697	—
Fishery products, for food	4,600	73,184
Cereals	40	—
Manufactured products of cereals, chiefly for human food	1,785,466	4,532
Fruits and nuts, except oil-nuts	133,504	10,445
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	44,573	70,340
Sugar and sugar confectionery	2,672	—
Coffee, tea, cocoa and preparations thereof; spices	10,465	8,175
Beverages and vinegars	13,088	75,750
Feeding stuffs for animals, n.e.s.	23,403	—
Tobacco	—	5,830
Oil-seeds, nuts and kernels	—	2,662
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	126,921	248,737
Chemical elements and compounds; pharmaceutical products	343,422	282,031
Dyeing, tanning and colouring substances (not including crude materials)	47,294	41,269
Essential oils, perfumery, cosmetics, soaps and related products	81,166	113
Rubber and manufactures thereof, n.e.s.	—	1,004
Wood, cork & manufactures thereof	—	45,946
Pulp, paper and cardboard and manufactures thereof	13,483	143,029
Hides and skins and leather	725,513	—
Manufactures of leather, not including articles of clothing	904	189
Textile materials, raw or simply prepared	162,193	—
Yarns and thread	551,863	207,850
Textile fabrics and small wares	221,741	161,910
Clothing and underwear of textile materials; hats of all materials	82,210	141,955
Footwear, boots, shoes and slippers	—	65,672
Made-up articles of textile materials other than clothing	—	3,275
Non-metallic minerals, crude or simply prepared, n.e.s.	600	4,450
Pottery and other clay products	2,927	4,679
Glass and glassware	—	72,214
Manufactures of non-metallic minerals, n.e.s.	—	1,850
Precious metals and precious stones, pearls and articles made of these materials	4,897	150
Iron and steel	4,198	—
Non-ferrous base metals	18,588	—
Manufactures of base metals, n.e.s.	58,720	175,683
Machinery, apparatus and appliances other than electrical, n.e.s.	12,165	160,560
Electrical machinery, apparatus and appliances	80,933	4,611
Vehicles & transport equipment, n.e.s.	29,246	9,939
Miscellaneous crude or simply prepared products, n.e.s.	39,106	258,800
Manufactured articles, n.e.s.	66,212	244,147
Total	6,923,538	2,531,221

INDIA

ARTICLES

	Imports	Exports
	\$	\$
Dairy products, eggs and honey ..	—	300
Fishery products, for food	62,700	500
Manufactured products of cereals, chiefly for human food	—	500
Fruits and nuts, except oil-nuts ..	26,000	2,800
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	—	3,514
Sugar and sugar confectionery	—	500
Coffee, tea, cocoa and preparations thereof; spices	6,996	—
Tobacco	183,840	—
Oil-seeds, nuts and kernels	—	800
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	30,763	—
Chemical elements and compounds; pharmaceutical products	—	58,000
Dyeing, tanning and colouring substances (not including crude materials)	87,250	2,255
Wood, cork & manufactures thereof	14,300	145
Pulp, paper and cardboard & manufactures thereof	—	500
Hides and skins and leather	5,093	48,460
Textile materials, raw or simply prepared	344,180	—
Yarns and thread	8,720,967	—
Textile fabrics and small wares	1,190,845	20,200
Special and technical textile articles	206,379	—
Footwear, boots, shoes and slippers	5,952	—
Made-up articles of textile materials other than clothing	10,765,745	—
Products for heating, lighting and power, lubricants and related products	2,048,267	—
Pottery and other clay products	—	800
Glass and glassware	—	2,372
Precious metals and precious stones, pearls and articles made of these materials	12,000	5,000
Non-ferrous base metals	—	76,760
Manufactures of base metals, n.e.s.	1,985	1,375,803
Electrical machinery, apparatus and appliances	—	33,200
Miscellaneous crude or simply prepared products, n.e.s.	28,300	71,145
Manufactured articles, n.e.s.	20,792	2,450
Total	23,772,354	1,706,004

MALAYA

ARTICLES

	Imports	Exports
	\$	\$
Meat and preparations thereof	15,130	145,930
Dairy products, eggs and honey	14,400	143,627
Fishery products, for food	549,365	1,735,847
Cereals	17,956	595
Manufactured products of cereals, chiefly for human food	16,412	185,037
Fruits and nuts, except oil-nuts	27,915	1,687,247
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	405,363	1,849,622
Sugar and sugar confectionery	—	125,873
Coffee, tea, cocoa and preparations thereof; spices	1,220,120	532,921
Beverages and vinegars	130,045	450,011
Feeding stuffs for animals, n.e.s.	—	24,175
Tobacco	—	254,715
Oil-seeds, nuts and kernels	21,600	21,612
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	240,055	38,305
Chemical elements and compounds; pharmaceutical products	69,190	640,148

Dyeing, tanning and colouring substances (not including crude materials)

72,575	547,403
315,061	277,093
3,881,155	6,896
2,412,259	51,301
800	1,436,062
67,845	12,000
250	307,419
179,950	174,122
3,823,434	2,857,494
5,550	218,176
57,650	1,155,826
2,018	9,160
108,287	127,008
3,951	425
7,350	2,735
600	54,499
10,720	59,972
—	8,292
162,184	250,969
516,579	—
122,511	6,046
169,251	1,166,379
3,592	16,920
67,461	94,708
270,857	19,934
248,599	599,980
73,026	2,912,444
15,311,066	20,181,928

NORTH BORNEO

ARTICLES

	Imports	Exports
	\$	\$
Meat and preparations thereof	—	5,875
Dairy products, eggs and honey	—	2,466
Fishery products, for food	103,072	19,950
Manufactured products of cereals, chiefly for human food	—	8,252
Fruits and nuts, except oil-nuts	27,619	13,569
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	990	42,933
Sugar and sugar confectionery	—	109,337
Coffee, tea, cocoa and preparations thereof; spices	—	4,601
Beverages and vinegars	—	25,528
Feeding stuffs for animals, n.e.s.	—	105
Tobacco	—	405,025
Oil-seeds, nuts and kernels	—	842
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	31,732	2,060
Chemical elements and compounds; pharmaceutical products	—	2,211
Dyeing, tanning and colouring substances (not including crude materials)	—	9,230
Essential oils, perfumery, cosmetics, soaps and related products	—	6,289
Rubber and manufactures thereof, n.e.s.	25,488	—
Wood, cork & manufactures thereof	1,247,074	3,889
Pulp, paper and cardboard and manufactures thereof	—	26,916

Hides and skins and leather	13,291	—	Vehicles & transport equipment, n.e.s.	1,375	142,034
Manufactures of leather, not including articles of clothing	—	37,379	Miscellaneous crude or simply prepared products, n.e.s.	—	25,755
Textile materials, raw or simply prepared	—	193	Manufactured articles, n.e.s.	—	72,457
Textile fabrics and small wares	—	93,517	Total	583,304	1,177,959
Special and technical textile articles	—	6,410			
Clothing and underwear of textile materials; hats of all materials	—	56,880			
Footwear, boots, shoes and slippers	—	16,879			
Made-up articles of textile materials other than clothing	—	5,150			
Products for heating, lighting and power, lubricants and related products, n.e.s.	—	2,844			
Non-metallic minerals, crude or simply prepared, n.e.s.	—	2,554			
Pottery and other clay products	—	2,864			
Glass and glassware	—	9,841			
Iron and steel	—	2,242			
Non-ferrous base metals	—	1,094			
Manufactures of base metals, n.e.s.	—	44,560			
Machinery, apparatus and appliances n.e.s. other than electrical	—	2,020			
Electrical machinery, apparatus and appliances	—	2,534			
Vehicles & transport equipment, n.e.s.	—	2,368			
Miscellaneous crude or simply prepared products, n.e.s.	8,776	10,395			
Manufactured articles, n.e.s.	—	420			
Gold and specie	—	22,425			
Total	1,458,462	1,051,061			

BURMA

ARTICLES

	Imports	Exports			
	\$	\$			
Fishery products, for food	—	9,881			
Cereals	7,542	—			
Fruits and nuts, except oil-nuts	—	34,571			
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	—	32,941			
Sugar and sugar confectionery	—	16,280			
Coffee, tea, cocoa and preparations thereof; spices	—	46,162			
Beverages and vinegars	—	4,056			
Feeding stuffs for animals, n.e.s.	23,507	—			
Tobacco	—	5,830			
Oil-seeds, nuts and kernels	—	1,400			
Chemical elements and compounds; pharmaceutical products	—	189,628			
Dyeing, tanning and colouring substances (not including crude materials)	—	238,584			
Essential oils, perfumery, cosmetics, soaps and related products	—	17,480			
Rubber and manufactures thereof, n.e.s.	—	5,150			
Wood, cork & manufactures thereof	—	900			
Pulp, paper and cardboard and manufactures thereof	—	97,284			
Manufactures of leather, not including articles of clothing	—	172			
Textile materials, raw or simply prepared	550,880	—			
Yarns and thread	—	2,200			
Textile fabrics and small wares	—	53,036			
Special and technical textile articles	—	6,312			
Clothing and underwear of textile materials; hats of all materials	—	14,300			
Footwear, boots, shoes and slippers	—	13,040			
Made-up articles of textile materials other than clothing	—	34,770			
Pottery and other clay products	—	33,124			
Glass and glassware	—	7,340			
Manufactures of non-metallic minerals, n.e.s.	—	5,920			
Non-ferrous base metals	—	3,500			
Manufactures of base metals, n.e.s.	—	43,707			
Electrical machinery, apparatus and appliances	—	20,145			
Total			9,023,068	46,276,887	

CHINA, NORTH

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	6,000	—
Meat and preparations thereof	661,597	—
Dairy products, eggs and honey	636,277	12,250
Fishery products, for food	491,777	—
Cereals	—	28,000
Manufactured products of cereals, chiefly for human food	2,038,814	3,200
Fruits and nuts, except oil-nuts	1,572,557	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	1,989,107	6,000
Sugar and sugar confectionery	3,960	561,870
Coffee, tea, cocoa and preparations thereof; spices	17,640	—
Beverages and vinegars	27,400	—
Feeding stuffs for animals, n.e.s.	675,661	—
Tobacco	48,000	—
Oil-seeds, nuts and kernels	7,847,951	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	1,719,660	85,480
Chemical elements and compounds; pharmaceutical products	425,228	6,926,422
Dyeing, tanning and colouring substances (not including crude materials)	55,575	5,446,955
Essential oils, perfumery, cosmetics, soaps and related products	—	31,144
Rubber and manufactures thereof, n.e.s.	—	2,308,083
Wood, cork & manufactures thereof	9,510	34,000
Pulp, paper and cardboard and manufactures thereof	120	3,325,689
Hides and skins and leather	12,800	—
Manufactures of leather, not including articles of clothing	—	22,494
Furs, not made up	13,825	—
Textile materials, raw or simply prepared	646,620	18,251,093
Yarns and thread	4,819,145	21,000
Textile fabrics and small wares	2,477,309	34,039
Special and technical textile articles	450	150,068
Clothing and underwear of textile materials; hats of all materials	214,206	1,550
Footwear, boots, shoes and slippers	21,000	—
Made-up articles of textile materials other than clothing	398,340	9,613,616
Products for heating, lighting and power, lubricants and related products	2,308	5,525,620
Non-metallic minerals, crude or simply prepared, n.e.s.	94,153	393,476
Pottery and other clay products	35,649	6,140
Glass and glassware	4,800	600
Manufactures of non-metallic minerals, n.e.s.	12,391	176,610
Precious metals and precious stones, pearls and articles made of these materials	9,000	—
Ores, slag, cinder	37,675	—
Iron and steel	19,163	4,080,569
Non-ferrous base metals	—	1,963,581
Manufactures of base metals, n.e.s.	86,592	438,665
Machinery, apparatus and appliances other than electrical, n.e.s.	4,000	789,929
Electrical machinery, apparatus and appliances	3,260	518,794
Vehicles & transport equipment, n.e.s.	—	801,272
Miscellaneous crude or simply prepared products, n.e.s.	3,314,656	582,917
Manufactured articles, n.e.s.	153,473	160,477
Total	30,607,649	62,301,540

CHINA, SOUTH

ARTICLES	Imports \$	Exports \$
Live animals, chiefly for food	3,897,270	—
Meat and preparations thereof	2,650	1,286
Dairy products, eggs and honey	443,840	608,365
Fishery products, for food	122,320	68,924
Manufactured products of cereals, chiefly for human food	—	1,545,574
Fruits and nuts, excepts oil-nuts	49,206	6,380
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	104,520	37,724
Sugar and sugar confectionery	425,000	4,271
Coffee, tea, cocoa and preparations thereof; spices	43,793	615
Beverages and vinegars	870	—
Tobacco	—	290,503
Oil-seeds, nuts and kernels	25,950	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	608,540	368,833
Chemical elements and compounds; pharmaceutical products	—	816,805
Dyeing, tanning and colouring substances (not including crude materials)	3,904	1,444,392
Essential oils, perfumery, cosmetics, soaps and related products	480	79,443
Fertilizers	—	71,532
Rubber and manufactures thereof, n.e.s.	1,080	956,702
Wood, cork & manufactures thereof	100,342	8,611
Pulp, paper and cardboard and manufactures thereof	42,580	2,230,830
Hides and skins and leather	244,737	13,200
Manufactures of leather, not including articles of clothing	210	11,225
Textile materials, raw or simply prepared	—	686,511
Yarns and thread	—	1,599,574
Textile fabrics and small wares	—	626,611
Special and technical textile articles	1,800	3,100
Clothing and underwear of textile materials, hats of all materials	—	319,562
Footwear, boots, shoes and slippers	—	216,358
Made-up articles of textile materials other than clothing	126,400	887,888
Products for heating, lighting and power, lubricants and related products	12,000	3,453,055
Non-metallic minerals, crude or simply prepared, n.e.s.	—	70,982
Pottery and other clay products	14,410	4,508
Glass and glassware	—	66,615
Manufactures of non-metallic minerals, n.e.s.	630	5,576
Iron and steel	—	223,519
Non-ferrous base metals	158,298	205,065
Manufactures of base metals, n.e.s.	2,472	203,443
Machinery, apparatus and appliances other than electrical, n.e.s.	2,565	92,659
Electrical machinery, apparatus and appliances	2,101	173,297
Vehicles & transport equipment, n.e.s.	5,000	392,525
Miscellaneous crude or simply prepared products, n.e.s.	377,491	123,161
Manufactured articles, n.e.s.	146,666	205,925
Gold and specie	447,000	258,000
Total	7,414,125	18,383,149

FRENCH INDOCHINA

ARTICLES

	Imports \$	Exports \$		
Meat and preparations thereof	1,800	390	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	— 9,120
Fishery products, for food	333,163	46,778	Chemical elements and compounds; pharmaceutical products	11,332 9,677
Cereals	121,770	—	Dyeing, tanning and colouring substances (not including crude materials)	— 20,827
Manufactured products of cereals, chiefly for human food	—	48,926	Essential oils, perfumery, cosmetics, soaps and related products	— 5,457
Fruits and nuts, except oil-nuts	13,217	224,454	Rubber and manufactures thereof, n.e.s.	— 635
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	287,525	211,191	Wood, cork & manufactures thereof	5,025 89,626
Sugar and sugar confectionery	—	12,980	Pulp, paper and cardboard and manufactures thereof	— 6,408
Coffee, tea, cocoa and preparations thereof; spices	117,420	123,921	Manufactures of leather, not including articles of clothing	4,511 32,903
Beverages and vinegars	—	2,633	Textile materials, raw or simply prepared	22,500 1,693,047
Feeding stuffs for animals, n.e.s.	1,315	—	Yarns and thread	114,931 81,675
Oil-seeds, nuts and kernels	166,623	140	Textile fabrics and small wares	1,670,761 704,540
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	38,470	—	Special and technical textile articles	100
Chemical elements and compounds; pharmaceutical products	—	26,656	Clothing and underwear of textile materials; hats of all materials	14,500 44,638
Dyeing, tanning and colouring substances (not including crude materials)	—	2,066	Footwear, boots, shoes and slippers	— 21,244
Rubber and manufactures thereof, n.e.s.	—	147	Products for heating, lighting and power, lubricants and related products	— 22,092
Wood, cork & manufactures thereof	1,450	—	Non-metallic minerals, crude or simply prepared, n.e.s.	4,521 60,900
Pulp, paper and cardboard and manufactures thereof	—	70,700	Pottery and other clay products	123,175 9,829
Hides and skins and leather	94,551	—	Glass and glassware	— 3,050
Textile materials, raw or simply prepared	—	18,000	Ores, slag, cinder	— 287,600
Yarns and thread	—	27,600	Iron and steel	151,259 655
Textile fabrics and small wares	—	12,000	Manufactures of base metals, n.e.s.	14,415 52,365
Special and technical textile articles	—	240	Machinery, apparatus and appliances other than electrical, n.e.s.	1,818,352 25,700
Clothing and underwear of textile materials; hats of all materials	—	167	Electrical machinery, apparatus and appliances	31,999 791
Products for heating, lighting and power, lubricants and related products	113,600	9,080	Vehicles & transport equipment, n.e.s.	535 184,568
Non-metallic minerals, crude or simply prepared, n.e.s.	95,200	—	Miscellaneous crude or simply prepared products, n.e.s.	36,415 292,080
Pottery and other clay products	—	1,739	Manufactured articles, n.e.s.	47,902 30,844
Manufactures of non-metallic minerals, n.e.s.	—	—	Total	4,347,480 7,460,896
Iron and steel	—	2,480		
Non-ferrous base metals	787,635	6,126		
Manufactures of base metals, n.e.s.	—	5,564		
Machinery, apparatus and appliances other than electrical, n.e.s.	—	13,257		
Electrical machinery, apparatus and appliances	—	20,582		
Vehicles & transport equipment, n.e.s.	—	22,365		
Miscellaneous crude or simply prepared products, n.e.s.	261,598	10,099		
Manufactured articles, n.e.s.	—	280,776		
Total	2,435,337	76,965		
		1,278,022		

JAPAN

ARTICLES

	Imports \$	Exports \$		
Meat and preparations thereof	—	900	Dairy products, eggs and honey	3,000 —
Dairy products, eggs and honey	—	140	Fishery products, for food	1,747,452 —
Fishery products, for food	87,480	1,000	Manufactured products of cereals, chiefly for human food	83,665 —
Manufactured products of cereals, chiefly for human food	—	2,400	Fruits and nuts, except oil-nuts	77,778 —
Fruits and nuts, except oil-nuts	—	2,610	Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	92,070 —
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	88,499	10,234	Beverages and vinegars	— 2,975
Sugar and sugar confectionery	—	7,000	Feeding stuffs for animals, n.e.s.	594,033 —
Coffee, tea, cocoa and preparations thereof; spices	99,368	43	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	— 101,800
Beverages and vinegars	—	189,600	Chemical elements and compounds; pharmaceutical products	71,904 86,414
Tobacco	—	576,090	Dyeing, tanning and colouring substances (not including crude materials)	— 123,049
Oil-seeds, nuts and kernels	—	2,980,508	Rubber and manufactures thereof, n.e.s.	— 556,400
			Textile materials, raw or simply prepared	— 7,458
			Textile fabrics and small wares	109,980 4,473,611
			Special and technical textile articles	— 25,770
			Footwear, boots, shoes and slippers	— 16,380
			Products for heating, lighting and power, lubricants and related products	— 124,536

Non-metallic minerals, crude or simply prepared, n.e.s.	210,392	—	Coffee, tea, cocoa and preparations thereof, spices	146,109	294,075
Iron and steel	—	184,537	Beverages and vinegars	279,870	228,750
Manufactures of base metals, n.e.s.	—	206,702	Feeding stuffs for animals, n.e.s.	18,149	88,342
Machinery, apparatus and appliances other than electrical, n.e.s.	—	385,610	Tobacco	34,490	1,841,572
Electrical machinery, apparatus and appliances	—	17,124	Oil-seeds, nuts and kernels	72,536	1,163,926
Vehicles & transport equipment, n.e.s.	—	67,950	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	208,000	380,903
Manufactured articles, n.e.s.	—	42,718	Chemical elements and compounds; pharmaceutical products	88,980	931,525
Total	2,990,274	6,423,034	Dyeing, tanning and colouring substances (not including crude materials)	3,160	349,883

KOREA, SOUTH

ARTICLES

ARTICLES	Imports	Exports	ARTICLES	Imports	Exports
	\$	\$		\$	\$
Meat and preparations thereof	—	1,700	Coffee, tea, cocoa and preparations thereof, spices	146,109	294,075
Fishery products, for food	1,569,750	—	Beverages and vinegars	279,870	228,750
Fruits and nuts, except oil-nuts	138,090	300	Feeding stuffs for animals, n.e.s.	18,149	88,342
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	321,030	—	Tobacco	34,490	1,841,572
Sugar and sugar confectionery	—	7,000	Oil-seeds, nuts and kernels	72,536	1,163,926
Beverages and vinegars	—	40,112	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	208,000	380,903
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	—	36,547	Chemical elements and compounds; pharmaceutical products	88,980	931,525
Chemical elements and compounds; pharmaceutical products	—	357,788	Dyeing, tanning and colouring substances (not including crude materials)	3,160	349,883
Dyeing, tanning and colouring substances (not including crude materials)	—	66,296	Essential oils, perfumery, cosmetics, soaps and related products	15,645	550,842
Essential oils, perfumery, cosmetics, soaps and related products	—	670	Fertilizers	9,107	1,305,112
Rubber and manufactures thereof, n.e.s.	—	213,066	Rubber and manufactures thereof, n.e.s.	4,000	175,187
Wood, cork & manufactures thereof	—	19,739	Wood, cork & manufactures thereof	52,748	454,132
Pulp, paper and cardboard and manufactures thereof	—	585,035	Pulp, paper and cardboard and manufactures thereof	212,785	1,161,229
Yarns and thread	—	2,717,995	Hides and skins and leather	78,724	211,920
Textile fabrics and small wares	—	148,293	Manufactures of leather, not including articles of clothing	—	11,963
Special and technical textile articles	17,009	4,274	Textile materials, raw or simply prepared	127,353	138,246
Clothing and underwear of textile materials; hats of all materials	3,952	7,420	Yarns and thread	3,487	2,162,453
Products for heating, lighting and power, lubricants and related products	—	120,050	Textile fabrics and small wares	2,275,844	5,960,998
Non-metallic minerals, crude or simply prepared, n.e.s.	21,250	—	Special and technical textile articles	26,748	56,549
Glass and glassware	—	51,180	Clothing and underwear of textile materials; hats of all materials	5,500	1,854,162
Manufactures of base metals, n.e.s.	—	9,450	Clothing of leather and fur	—	4,444
Machinery, apparatus and appliances n.e.s., other than electrical	—	3,035	Footwear, boots, shoes and slippers	400	208,783
Electrical machinery, apparatus and appliances	—	3,723	Make-up articles of textile materials other than clothing	11,390	200,979
Vehicles & transport equipment, n.e.s.	—	18,089	Products for heating, lighting and power, lubricants and related products	—	1,847,577
Miscellaneous crude or simply prepared products, n.e.s.	33,350	99,252	Non-metallic minerals, crude or simply prepared, n.e.s.	5,995	163,969
Manufactured articles, n.e.s.	—	68,603	Furniture and other clay products	44,557	100,730
Total	2,104,431	4,579,617	Glass and glassware	2,230	118,239
			Manufactures of non-metallic minerals, n.e.s.	8,417	6,310
			Precious metals and precious stones, pearls and articles made of these materials	—	3,000
			Ores, slag, cinder	23,500	600
			Iron and steel	800	349,608
			Non-ferrous base metals	14,561	99,600
			Manufactures of base metals, n.e.s.	119,140	572,837
			Machinery, apparatus and appliances other than electrical, n.e.s.	16,427	121,202
			Electrical machinery, apparatus and appliances	15,671	575,785
			Vehicles & transport equipment, n.e.s.	35,035	413,888
			Miscellaneous crude or simply prepared products, n.e.s.	941,211	456,013
			Manufactured articles, n.e.s.	1,147,322	1,013,348
			Gold and specie	226,800	—
			Total	7,889,832	34,038,285

MACAO

ARTICLES

ARTICLES	Imports	Exports	ARTICLES	Imports	Exports
	\$	\$		\$	\$
Live animals, chiefly for food	—	40,800	Fishery products, for food	6,750	6,758
Meat and preparations thereof	134,470	10,999	Manufactured products of cereals, chiefly for human food	—	9,900
Dairy products, eggs and honey	423,916	497,233	Fruits and nuts, except oil-nuts	—	3,031
Fishery products, for food	193,738	2,670,115	Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	16,672	5,025
Cereals	12,005	61,033	Sugar and sugar confectionery	—	14,682
Manufactured products of cereals, chiefly for human food	21,326	2,439,711	Coffee, tea, cocoa and preparations thereof; spices	—	7,317
Fruits and nuts, except oil-nuts	269,955	1,043,262	Beverages and vinegars	—	4,667
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	525,303	1,110,496	Tobacco	—	9,750
Sugar and sugar confectionery	32,428	585,955	Oil-seeds, nuts and kernels	—	1,000

Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	28,912	4,600	Hides and skins and leather	—	30,848
Chemical elements and compounds; pharmaceutical products	106,986	109,380	Manufactures of leather, not including articles of clothing	—	71,733
Dyeing, tanning and colouring substances (not including crude materials)	—	179,994	Textile materials, raw or simply prepared	504,316	54,107
Essential oils, perfumery, cosmetics, soaps and related products	206,192	32,520	Yarns and thread	48	245,800
Rubber and manufactures thereof, n.e.s.	633,500	2,691	Textile fabrics and small wares	47,738	258,380
Wood, cork & manufactures thereof	—	3,486	Special and technical textile articles	515	250
Pulp, paper and cardboard and manufactures thereof	—	413,649	Clothing and underwear of textile materials; hats of all materials	—	778,104
Textile materials, raw or simply prepared	—	12,682	Footwear, boots, shoes and slippers	—	100,118
Yarns and thread	5,850	421,130	Made-up articles of textile materials other than clothing	—	109,873
Textile fabrics and small wares	—	402,522	Products for heating, lighting and power, lubricants and related products	22,722	80
Special and technical textile articles	—	1,545	Non-metallic minerals, crude or simply prepared, n.e.s.	—	6,175
Clothing and underwear of textile materials; hats of all materials	—	234,590	Pottery and other clay products	—	26,812
Footwear, boots, shoes and slippers	—	1,700	Glass and glassware	—	49,356
Made-up articles of textile materials other than clothing	—	239,729	Manufactures of non-metallic minerals, n.e.s.	—	736
Products for heating, lighting and power, lubricants and related products	4,685,460	—	Precious metals and precious stones, pearls and articles made of these materials	—	860
Non-metallic minerals, crude or simply prepared, n.e.s.	—	3,240	Iron and steel	—	53,077
Pottery and other clay products	—	56,969	Non-ferrous base metals	—	890
Glass and glassware	—	30,434	Manufactures of base metals, n.e.s.	11,038	3,329,561
Manufactures of non-metallic minerals, n.e.s.	2,800	—	Machinery, apparatus and appliances other than electrical, n.e.s.	—	42,299
Non-ferrous base metals	—	8,847	Electrical machinery, apparatus and appliances	30	1,327
Manufactures of base metals, n.e.s.	—	116,854	Vehicles & transport equipment, n.e.s.	1,500	119,821
Machinery, apparatus and appliances other than electrical, n.e.s.	—	13,170	Miscellaneous crude or simply prepared products, n.e.s.	6,418	49,927
Electrical machinery, apparatus and appliances	—	76,044	Manufactured articles, n.e.s.	3,571	562,542
Miscellaneous crude or simply prepared products, n.e.s.	506,004	29,689	Gold and specie	10,863,400	—
Manufactured articles, n.e.s.	—	400,988	Total	11,649,956	12,141,272
Total	6,199,126	2,858,583			

PHILIPPINES

ARTICLES

Live animals, chiefly for food	—	1,120
Meat and preparations thereof	—	660,147
Dairy products, eggs and honey	—	1,205,986
Fishery products, for food	—	332,822
Manufactured products of cereals, chiefly for human food	3,449	900,488
Fruits and nuts, except oil-nuts	—	747,294
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	—	1,009,792
Sugar and sugar confectionery	—	162,031
Coffee, tea, cocoa and preparations thereof; spices	—	165,278
Beverages and vinegars	—	38,371
Feeding stuffs for animals, n.e.s.	—	40
Tobacco	51,904	—
Oil-seeds, nuts and kernels	—	461,382
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	—	10,320
Chemical elements and compounds; pharmaceutical products	2,166	230,083
Dyeing, tanning and colouring substances (not including crude materials)	242	68,087
Essential oils, perfumery, cosmetics, soaps and related products	—	5,460
Rubber and manufactures thereof, n.e.s.	—	43,460
Wood, cork & manufactures thereof	130,318	146,419
Pulp, paper and cardboard and manufactures thereof	581	60,016

SIAM

ARTICLES

	Imports \$	Exports \$
Meat and preparations thereof	2,580	—
Dairy products, eggs and honey	—	91,900
Fishery products, for food	2,683,974	—
Cereals	816,435	128
Manufactured products of cereals, chiefly for human food	286,775	18,540
Fruits and nuts, except oil-nuts	6,530	—
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	329,376	11,660
Sugar and sugar confectionery	—	624
Coffee, tea, cocoa and preparations thereof; spices	92,380	9,172
Beverages and vinegars	1,083	36,527
Feeding stuffs for animals, n.e.s.	42,400	1,420
Oil-seeds, nuts and kernels	1,890,472	—
Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	1,125,231	12,000
Chemical elements and compounds; pharmaceutical products	167,709	300,085
Dyeing, tanning and colouring substances (not including crude materials)	11,280	209,978
Essential oils, perfumery, cosmetics, soaps and related products	—	12,396
Fertilizers	2,880	150,295
Rubber and manufactures thereof, n.e.s.	—	96
Wood, cork & manufactures thereof	1,636,792	3,682
Pulp, paper and cardboard and manufactures thereof	—	113,478
Hides and skins and leather	609,413	1,250
Manufactures of leather, not including articles of clothing	—	5,759
Textile materials, raw or simply prepared	48,700	13,990

Yarns and thread	279,532	Animal & vegetable oils, fats, greases and waxes & their manufactures, n.e.s.	84,807	52,849
Textile fabrics and small wares	96,751	Chemical elements and compounds; pharmaceutical products	13,428,100	482,624
Special and technical textile articles	37,103	Dyeing, tanning and colouring substances (not including crude materials)	3,411,824	1,188
Clothing and underwear of textile materials; hats of all materials ..	400	Essential oils, perfumery, cosmetics, soaps and related products	1,271,971	351,721
Footwear, boots, shoes and slippers ..	9,000	Fertilizers	771,118	—
Made-up articles of textile materials other than clothing	—	Rubber and manufactures thereof, n.e.s.	134,267	18,150
Products for heating, lighting and power, lubricants and related products	—	Wood, cork & manufactures thereof	486,711	104,634
Non-metallic minerals, crude or simply prepared, n.e.s.	491,721	Pulp, paper and cardboard and manufactures thereof	1,238,189	15,069
Pottery and other clay products	—	Hides and skins and leather	186,296	172,683
Glass and glassware	1,050	Manufactures of leather, not including articles of clothing	143,070	485
Manufactures of non-metallic minerals, n.e.s.	—	Furs, not made up	—	144,967
Precious metals and precious stones, pearls and articles made of these materials	—	Textile materials, raw or simply prepared	—	125,451
Iron and steel	7,257	Yarns and threads	123,040	9,249
Non-ferrous base metals	—	Textile fabrics and small wares	3,836,479	1,290,078
Manufactures of base metals, n.e.s.	—	Special and technical textile articles	210,667	1,302
Machinery, apparatus and appliances other than electrical, n.e.s.	8,940	Clothing and underwear of textile materials; hats of all materials	1,277,159	439,302
Electrical machinery, apparatus and appliances	—	Clothing of leather and fur	1,316	—
Vehicles & transport equipment, n.e.s.	150	Footwear, boots, shoes and slippers	87,806	63,198
Miscellaneous crude or simply prepared products, n.e.s.	—	Made-up articles of textile materials other than clothing	54,752	4,710
Manufactured articles, n.e.s.	143,120	Products for heating, lighting and power, lubricants and related products	2,568,387	442,833
Total	17,944	Non-metallic minerals, crude or simply prepared, n.e.s.	299,548	—
	10,433,592	Pottery and other clay products	30,461	152,028
	3,338,459	Glass and glassware	535,176	253

U. S. A.

ARTICLES

	Imports	Exports		
	\$	\$		
Meat and preparations thereof	85,395	443,575	Precious metals and precious stones, pearls and articles made of these materials	769,608
Dairy products, eggs and honey	342,694	78,550	Iron and steel	2,390,342
Fishery products, for food	1,211,714	438,859	Non-ferrous base metals	314,994
Cereals	55	—	Manufactures of base metals, n.e.s.	2,429,843
Manufactured products of cereals, chiefly for human food	2,234,555	81,819	Machinery, apparatus and appliances other than electrical, n.e.s.	1,476,556
Fruits and nuts, except oil-nuts	3,595,345	251,396	Electrical machinery, apparatus and appliances	882,889
Vegetables, roots and tubers, chiefly used for human food and their preparations, n.e.s.	720,030	977,118	Vehicles & transport equipment, n.e.s.	1,144,188
Sugar and sugar confectionery	334,758	14,547	Miscellaneous crude or simply prepared products, n.e.s.	1,603,832
Coffee, tea, cocoa and preparations thereof; spices	976,677	227,389	Manufactured articles, n.e.s.	4,116,412
Beverages and vinegars	93,428	273,505	Gold and specie	—
Feeding stuffs for animals, n.e.s.	—	4,148	Total	60,557,726
Tobacco	5,391,473	2,480		26,722,186
Oil-seeds, nuts and kernels	—	119,472		